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International Commerce

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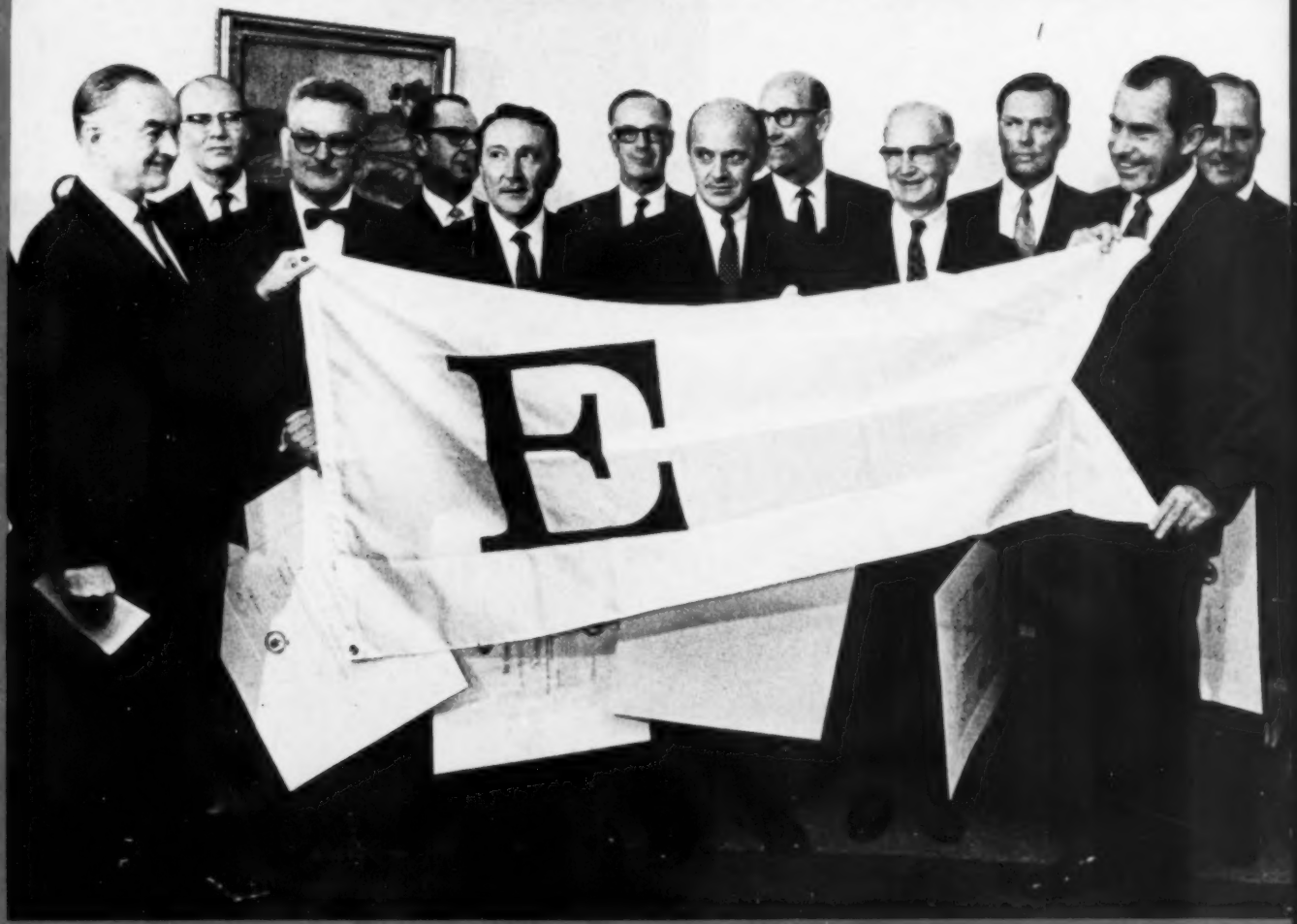
President Nixon presents ten 'E' awards at The White House



International Trade Winds Newsletter

Company News

ABRASIVES—Norton Co., Worcester, Mass., has concluded an agreement with Riken Corundum Co., Ltd., Japan, forming a new company, Riken Norton, Co., Ltd., to be located in Konosu, Japan, to manufacture coated abrasive products for the Japanese industrial market. The new venture, subject to Japanese government approval, provides for an exchange of technical information and licensing agreements. Norton is a major world supplier of abrasive products.

STARCH—A. E. Staley Mfg. Co., Decatur, Ill., is constructing a corn refining plant in Chacabuco, Argentina, to produce starches for paper, corrugating, textiles, food and animal feeds. Locally grown corn will be utilized in the plant which will serve South America and other export markets. This will mark Staley's first production move into South America.

ELECTRONICS—Automation Industries, Inc., Los Angeles, has purchased Peekel Electronic Laboratories, Rotterdam, Netherlands. Peekel designs, manufactures and sells electronic equipment in the digital and acoustic fields, and Automation supplies materials evaluation equipment and services, manufactures aerospace components, industrial products, and provides management engineering systems for complex programs to government and industry.

CONSTRUCTION—Oshata, Inc., New York, has completed a turn-key project for Monarch Fine Foods Ltd., Division of Lever Bros., Toronto, Canada. Construction, that started last November and was completed in five months, includes a complete storage tank farm, and facilities for deodorizing, vapor scrubbing, hydrogenation, soapstock acidulation and water cooling.

FINANCING—IPL, Inc., Chicago, and Deltec Panamerica S.A., Nassau, Bahamas, have combined to form Deltec International Ltd., headquartered in Chicago. Dealing primarily with foreign trade and financing, their operations include food processing and cattle ranching facilities in Argentina, Brazil, Australia and New Zealand; marketing and sales activities in over 100 nations; and international investment and merchant banking subsidiaries and affiliates. The new corporation's assets reach $258 million.

A new-to-market company, NIBCO, Inc., of Elkhart, Ind., came in for a pleasant surprise at the U.S. Exhibition of Fluid Transfer and Power Equipment at the Hanover Fair--sales at their booth that added up to almost $1 million. NIBCO is now firming up distributorship agreements to market its valves and fittings in 17 countries as a result of the show. The company's original intent was merely to test the German market.

The pen that writes under water is part of contemporary commercial lore--but how about the pen that writes in outer space under zero gravity! Fisher Pen Co. has contributed 1,500 of them to the U.S. Pavilion at the Paris Air Show that opens May 29. Meanwhile the major hardware suppliers to the U.S. space program are backing the Pavilion's "Countdown Apollo" theme with a full presentation of moon probe equipment.

A new Tourism Projects Department in the World Bank aims to help the developing nations add to their tourist appeal with better highways, airports, lending institutions specializing in tourism, and publicly-owned hotels. Developing nations have two prime appeals for today's tourists: plenty of sunshine, and destinations off the beaten vacation paths. World Bank officials believe that tourism in the LDC's will thus outpace its climb elsewhere in the world.

An accompaniment to the advanced U.S. medical equipment to be shown at INTERMED '70 at the Stockholm U.S. Trade Center next November will be the appearance at the show of heart specialist Dr. Michael E. DeBakey. He will address the concurrent Swedish National Medical Congress, and appear at the official press conference for the exhibition.

Growth in international business has retired one of the best-known company marks, the "57 Varieties" of H. J. Heinz. Speaking for the 100-year-old company, Heinz president R. Burt Gookin said with a bow to tradition, "We believe that the old corporate identifier is too limiting for a company that now markets more than 1,250 varieties in approximately 150 countries and that has diversified into many new areas of the convenience foods industry."

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the cover

As a special feature of World Trade Week, May 19-24, ten "E" awards were presented at the White House by President Richard M. Nixon. The President praised the company executives in attendance at the presentation for their efforts at expanding exports, thereby increasing the United States' export surplus and assisting the U.S. balance of payments. Personal identifications are contained in the box in the article on the "E" award ceremony on page 2.

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President presents 10 'E's in White House ceremony

U.S. firms are honored for export increase, contribution to balance-of-payments

"One of the developments of the United States that has occurred during the past few years that is very disturbing is the dwindling of our export surplus . . . we are trying to change that." The speaker was President Richard M. Nixon, presenting "E" awards for export expansion to ten U.S. firms at a White House ceremony during World Trade Week.

Noting that eight years ago the export surplus was about $5 billion a year, while the present figure is approximately $800 million per year, the President said, "When I say we are trying to change it, I speak not just of the Government, but I speak more of those in private enterprise who by their practices will be able to win the markets abroad."

"The ten companies that will be honored today are companies that have shown the initiative, and they have shown the imagination that is essential to compete in the export markets," President Nixon said. "And the ability to compete in the export markets is something that is, I think, particularly noteworthy today when we consider the fact that American workmen are paid by far the highest wages in the world. And when an American businessman paying those highest wages can still go in and compete in the export market, that means he deserves an award for excellence."

The "E"s were awarded to: All American Engineering Co.; American Avitron, Inc.; Christensen Diamond Products Co.; Kenworth Motor Truck Co.; Lykes Bros. Steamship Co., Inc.; Riviana Foods Inc.; Texon, Inc.; Townsend Engineering Co.; H. G. Weber & Co., Inc.; and Xerox Corp.

Background information on the ten recipients follows:

• **All American Engineering Co.,** of Wilmington, Del., is a research, development, and manufacturing firm that services government and industry in the aerospace and electronics fields. To build exports during the past three years, AAE has redesigned components and systems to meet foreign requirements, conducted extensive test programs both abroad and in the United States, and negotiated licensing agreements when necessary to meet the competition.

AAE developed a land-based catapult for launching aircraft and an arresting gear to meet U.S. military requirements. Efforts to sell the systems overseas led to establishment of licensing arrangements in Belgium and the United Kingdom. Direct sales were made to NATO, Switzerland, West Germany, and Scandinavia. AAE is now selling its arresting system to civil aviation around the world. Sales licensing agreements have recently been negotiated for Japan, Australia, New Zealand, Papua, New Guinea, and Malaysia.

Accepting the award in the White House ceremony was company president Charles W. Wendt.

• **American Avitron, Inc.,** of Port Chester, N.Y., exports aerospace systems and equipment worldwide. The company has increased exports through use of foreign-language advertising, executive travel, special training programs, and prompt delivery service.

Products handled by Avitron range from spark plugs to missile check-out systems, automatic all-weather landing systems, and tracking and telemetry equipment. Avitron handles exporting and servicing for 23 major U.S. aviation and aerospace manufacturers. It assumes such functions as marketing, applications engineering, order consolidation, financing, inventorying, and export documentation. It has developed an efficient paperwork system for fast order processing, and has devised modern packaging.

Avitron holds product orientation sessions at the various companies that it represents to train its overseas personnel. The training also includes a visit to Avitron's home office, for classes in marketing strategy and product applications.

The company has participated in both local and international trade shows, including those in Paris, Turin, and Hanover. It now has sales offices in Spain, Italy, West Germany, Switzerland, England, France, Lebanon, Brazil, Argentina, New Delhi, and Japan, and local sales representation in more than 20 countries.

Company president Bergthor F. Endresen accepted the Presidential "E" award.

• **Christensen Diamond Products Co.,** Salt Lake City, exports tools and equipment for the drilling and mining industries. Foreign language advertising, training programs, joint ventures, and licensing agreements have helped Christensen to increase its exports over the past few years.

Christensen pioneered in the development of a mining bit utilizing diamonds and a powdered metal matrix, fused together in a high temperature furnace. The speed, economy, and satisfactory performance of this equipment has enabled Christensen to build up a worldwide body of customers.

Christensen set up affiliates in, or adjacent to, countries having a market for its products, to solve problems of shipping time, inventorying, and resistance to new or foreign products.

Christensen takes out full-page advertisements in various languages in leading oil and mining magazines.

Cover Identification

Shown on the cover with President Richard M. Nixon and Secretary of Commerce Maurice H. Stans (far left) at the White House "E" award presentation ceremony were these top company executives (left to right): Joe Lykes, Jr., Lykes Bros. Steamship Co.; H. H. Weber, H. G. Weber & Co.; Ray T. Townsend, Townsend Engineering Co.; William H. Lane, Riviana Foods Inc.; David Schoales, Texon, Inc.; C. Peter McColough, Xerox Corp.; Frank L. Christensen, Christensen Diamond Products Co.; Charles W. Wendt, All American Engineering Co.; Bergthor F. Endresen, American Avitron, Inc.; Robert C. O'Brien, Kenworth Motor Truck Co.

Distribution is through direct sales to oil and mining companies, who ship the products to the ultimate destination, or to Christensen personnel who are strategically located near active oilfields or dam sites. Christensen exports servicing and technical know-how along with its products.

Company president Frank L. Christensen accepted his firm's award.

• **Kenworth Motor Truck Co.,** Seattle, Wash., increased exports of its heavy duty trucks and special purpose vehicles by redesigning them to meet foreign requirements and providing completely-knocked-down units for local assembly.

Kenworth trucks are used in exploration, mining, logging, and harvesting sugar cane, among other hauling operations. Kenworth presently has 16 franchise distributors outside the continental United States. In order to market in Mexico, Canada, and Australia, which were closed to fully-assembled products, Kenworth developed a completely-knocked-down truck that is assembled by subsidiary companies and includes some locally manufactured items.

Kenworth offers special payment plans when necessary. The foreign dealer is allowed two extra months before payment is due, which often enables him to display and sell the product before spending his own capital.

Examples of Kenworth adaptation for foreign markets include a steel car in place of its usual aluminum and fiberglass one for less developed roads where weight is not of prime importance; right hand steering; and special vehicles for desert use.

The award was accepted by Robert D. O'Brien, chairman of the board of Pacific Car & Foundry, Inc., parent company of Kenworth.

• **Lykes Bros. Steamship Co., Inc.,** of New Orleans, has received an "E" for export service by encouraging export expansion through its foreign trade development division. The company has organized workshops in inland cities to bring the importance of exporting to the attention of local manufacturers.

Another tool in Lykes' efforts in increasing international trade is its monthly magazine *Lykes Fleet Flashes.* Special articles on overseas shipping, export development, and opportunities for U.S. products in individual areas, have appeared regularly.

The workshops, held in such cities as Denver, St. Louis, Memphis, Kansas City, Atlanta, and San Antonio, attempt to relate economic growth to foreign trade, local contributions to the balance-of-payments situation, and to provide an explanation of banking, credit, insurance, and other components of international trade.

In addition to eight of its own offices overseas, Lykes maintains a network of more than 350 agents representing 77 countries.

Lykes offices provide international marketing information to prospective exporters. After the U.S. company completes a questionnaire, data about its products are sent to selected foreign countries. The manufacturer is kept informed by Lykes of information received in response. Lykes' foreign trade development office also maintains an up-to-date listing of companies wishing to represent U.S. manufacturers overseas.

Joe Lykes, Jr., chairman of the board, accepted the "E" for his company.

• **Riviana Foods, Inc.,** a Houston producer of rice and other food products, has increased exports through a network of distributors and agents in nearly 100 countries and through use of local language advertising, liberal credit terms, and an aggressive advertising program.

Foreign language advertising has been conducted in French, Spanish, Danish, Finnish, Swedish, Arabic, and Chinese. Medium-term financing helped develop business in Chile, Peru, Ghana, and other African markets. In addition to local competition, Riviana has had to deal with problems of distribution and transportation in West African countries. Production and marketing partnerships have been established in South Africa and Australia.

Riviana has met local competition in selling rice to such countries as Kuwait, Saudi Arabia, and Hong Kong. The firm has made direct retail sales of its own brands in the United Kingdom, France, Greece, Scandinavia, Australia, Jamaica, and the Bahamas.

Riviana executives travel abroad regularly to stimulate sales.

Riviana's "E" award was accepted by company president William H. Lane.

• **Texon, Inc.,** of South Hadley, Mass., manufactures a man-made fiber that can be used in place of leather by the shoe and luggage industries. The firm used sample materials, wear testing, plant demonstrations, produce literature, and other sales promotion to obtain its first major account overseas. Once this was accomplished, word spread within the industry and other manufacturers became interested in the products.

In addition to the man-made material used in innersoles, Texon produces resin and latex modified materials for automobile battery separators and gaskets; and vinyl coated materials used in the manufacture of luggage, golf bags, belts, and

'E' AWARD PRESENTATION was held at the White House during World Trade Week. President Richard M. Nixon prepares to present certificates to each of ten 'E' recipients while Secretary of Commerce Maurice H. Stans reads citation and Secretary of Agriculture Clifford M. Hardin (right) looks on.

other items generally made of leather.

In countries where the market potential, tariff and import situations, and distribution requirements made it feasible, Texon established affiliate/associate companies or plants. In other countries an agent or representative was appointed to handle Texon business. Texon has plants, in addition to several U.S. locations, in Canada, France, and West Germany. Plants of associate companies are located in England and Japan. Texon is in the process of establishing an association for production and distribution in Mexico.

To make export shipments, Texon has developed special packaging consisting of pallets, cartons, overwraps, strapping, and changes in weight and size of loads.

David Schoales, president of Texon, accepted the "E."

• **Townsend Engineering Co.** of Des Moines has introduced a new concept in meat-packing and sold its processing equipment around the world. Townsend has increased exports through adapting its product, sales and servicing to foreign requirements, establishing a distributor network, and participating in overseas trade fairs.

Townsend's first machines removed skin from various cuts of pork, a process that had previously been done manually. The firm began exporting through a licensing and royalty agreement with a West German company.

In 1962 Townsend designed a machine which automatically produced frankfurters in skinless casings, made of a permeable cellulose, instead of animal casings. The machine enables exact weight control, and can produce 30,000 pounds of franks per hour with one operator. Previously, six machines and eight people were required to produce a comparable amount.

Since then the company has dissolved the relationship with the German distributor and established an office in the Netherlands to sell and service its equipment in Europe.

Townsend used different techniques to penetrate different markets. In England, where frankfurters are not popular but the breakfast sausage is, Townsend hired a meat technologist to develop a mix of the sausage ingredients that could be used with the automatic frankfurter machine. Townsend completed a sale to Russia after taking part in an exhibition in Moscow. Although Russia had long preferred animal casings, these were obtained from Mainland China and Russia was looking for a substitute.

Townsend's "E" award was accepted by its president Ray T. Townsend.

• **H. G. Weber & Co., Inc.,** of Kiel, Wis., has expanded exports of its packaging machinery and materials handling systems through pinpointing demand in foreign countries and establishing a service center to cover the European market.

Weber developed markets through participation at trade fairs and meeting with foreign convertors at their plants. Weber has established agreements with machinery representatives in the Scandinavian countries, England, the European Continent, Africa and South America. Sales to Poland were made through participation in the Poznan Trade Fair, where Weber representatives met with members of the Polish government's equipment purchasing group.

Arrangements have been made with a West German company whereby Weber exports the major portion of the machinery and the company supplies the lesser parts and completes the machines. This same policy was followed in other European countries, England, and Africa.

A parts center is maintained in England to service customers in Europe. Company service technicians are available for supervising the reassembly of equipment at overseas plant sites and for conducting training courses.

Weber tries to assist its customers in all phases of exporting and has helped obtain financing through the Export-Import Bank and other federal or private institutions.

H. H. Weber, chairman of the board, accepted the "E."

• **Xerox Corp.** of Rochester, N.Y. nearly doubled exports of its office equipment and supplies between 1966 and 1968. The corporation's marketing approach includes frequent on-scene evaluation of customer needs, use of containerized shipments, establishment of service facilities, and local language promotion.

Xerox adapts the design of its machines to local specifications around the world. These may include variations in paper size, power supply, humidity, and other factors. The company depends on market research forecasts to point out trends in office machinery that it might take advantage of, especially in the developing countries.

Xerox has been containerizing overseas shipment since 1965, for greater speed and efficiency and less loss and damage.

The company supplies components and sub-assemblies to affiliated manufacturing centers in the United Kingdom and Japan. Consumable supplies (xerographic toner and developer) are produced in Canada, England, Japan and the Netherlands.

To service its Latin American subsidiaries Xerox has established an inventory management system, service capabilities at all subsidiaries, translation service, and headquarters technical and training groups.

Company president C. Peter McColough accepted the "E" award.

These awards bring to 867 the number of exporting firms and organizations that have received the "E" award since 1962.

For Trade Week: an export outlook

Secretary of Commerce Stans put the following perspective on the 1969 observance of World Trade Week as he addressed the Upper Midwest Conference on U.S. International Trade Policies at Minneapolis on May 21:

The road we seek is the road to a more open international economy. Not only does this road lead to broad benefits for all nations, but very practically it gives American companies wider access to the markets of the world.

For too many American companies, exporting is not much more than a sideline. Satisfied with a prosperous market at home, they see no reason to tackle markets overseas.

Look at the result. Imports into the United States have grown much faster than exports for the past three years. Our trade surplus has virtually vanished and this year we ran the first quarterly trade deficit since 1950.

We urgently need American business to allocate money, staff and determination to develop overseas markets just as they do domestic markets.

President Nixon has reactivated the Cabinet Committee on Export Expansion, of which I am Chairman. All of the agencies in the Executive Branch concerned with foreign trade are represented in the Committee.

We have set an export goal of $50 billion by 1973. This compares with $34 billion in 1968. The Department of Commerce, for its part, will do everything possible to stimulate and help the marketing campaigns of those who seek a greater share of the markets of the world. There are many things we can do for medium- and small-sized companies. Ask us!

DURING FAR EAST MISSION Secretary Stans (fourth from right) headed a U.S. delegation in trade discussions with officials of the Republic of China led by Minister of Economic Affairs K. T. Li (second from left). Site is the conference room of the Economic Affairs Ministry at Taipei.

Freer trade was tour aim

Secretary says textile plan was only part of agenda in Europe, Far East discussions

In two separate trips between Apr. 11 and May 18, the Secretary of Commerce led a team of high officials of Federal departments and agencies on a mission of more than 30,000 miles to 11 countries and 12 cities in Western Europe and the Far East. The group spent 17 working days abroad, and a count of the Secretary's schedule showed 110 public and private meetings in that time. Secretary Stans gave the following summary of the mission at a press conference in Washington May 20.

By MAURICE H. STANS
Secretary of Commerce

In reporting on the trips we made to Europe and to the Far East on trade matters, I should begin by noting that there were a number of purposes behind these trips and a number of subjects were discussed. I would like to dispel immediately the idea that the trips had the sole purpose of talking about textiles.

For one thing, both trips carried messages from the President to heads of state in various countries indicating his interest in close international relations in the field of commerce, generally.

Secondly, we reported to the officials of the various countries in some detail on the Nixon Administration's economic and trade policies, in particular the determination of the Administration to fight inflation in the United States and the commitment of the Nixon Administration to policies of freer trade.

Beyond that, in each case we discussed several other subjects. The first subject we discussed in considerable detail in each country was the matter of non-tariff barriers—the impediments to trade that exist in the form of legislative or administrative controls over imports in various countries.

We discussed in Europe the great concern in the United States about some aspects of the common agricultural policy of the Common Market countries and we discussed the matter of textiles.

To go back over these subjects very briefly, on non-tariff barriers we pointed out the great and growing concern among American businessmen over such matters as border taxes in the Common Market countries, the inability of American companies successfully to do business with governments and government entities, the difficulties being encountered by American business under regulations and laws imposed for reasons of safety and health in other countries, our concern about growing export subsidies in other countries, and so on.

We made the point, a rather obvious one, that all of these matters were barriers to trade and we acknowledged we had some in the United States.

We expressed great concern over the fact that there were many obstacles to trade that were imposed by administrative action in which no one official policy existed, but which could, of course, greatly impede the traffic in goods.

We suggested that one of the ways of dealing with this problem would be for all of our trading partners and the United States to adopt what we call an "Open Table" principle whereby we would put all of the tariff barriers on the table and disclose all the facts as to how they op-

erated as a basis for some type of action to reduce, or eliminate, them.

This was very favorably received in almost every country we visited with the sole exception of France where the government officials thought caution ought to be observed in moving rather rapidly in that regard.

In every other country in Europe we found strong support and a desire for the United States to take further initiative toward action among all of the countries to reduce non-tariff barriers.

In Japan, we agreed, within this subject, to exchange lists between the United States and Japan within the next 60 days of all actions on the part of either country that constituted impediments to trade. Our idea was that this would lead to further discussion and possibly negotiation through diplomatic channels.

So much for non-tariff barriers.

Common Market problems

In Europe, dealing with the Common Market agricultural policy we expressed great apprehension and concern over the proposed tax on soybeans and the economic and political repercussions that would follow in the United States if that tax were to be adopted.

We also expressed a feeling of concern over proposals in the Common Market countries to establish a tobacco growing industry in order to make it unnecessary to import tobacco from the United States.

There is strong division among the Common Market countries on these policies and I think we gained considerable support for our position in discussing these matters with the various countries.

The Common Market countries are going through many of the phases of agricultural adjustments that the United States has gone through for 30 years and we urged them in every case to learn from the mistakes we had made in that period of time in agricultural policy.

For one thing, the Common Market countries have price supports for many commodities without any limitations whatever on production and without withdrawing any acreage. The cost of this has been obviously hard to bear for them.

As I said, I think my discussions of these subjects in which Assistant Secretary of Agriculture Clarence D. Palmby participated as did Hendrik S. Houthakker of the Council of Economic Advisers had some considerable impact on the European officials in this respect.

On the textile subject we made two basic points that I think are the entire measure of the problem and the solution.

The first is that the United States today is the only free market in the world for textiles. Every other major country in the world has imposed bilateral or unilateral limitations on imports of textiles.

The consequence is that the United States is left as the sole major market and the United States just cannot absorb all of the textiles that can be produced by the other countries without doing great damage to the American industry and causing unemployment among its employees. This was the position we took.

Secondly, as a solution, we suggested that the American industry could and would absorb all that had happened to it to the end of 1968. But, since imports are increasing at such a rate that we can no longer accept them, adjustments would have to be made to reduce the rate of imports, beginning at once.

We suggested that if this were done, no one need lose a job in any other country or in the United States for that matter and no company or section of the industry need be hurt.

If action were delayed we said we believed that the United States Congress might very well take matters into its own hands and impose restrictions on the level of imports.

These two points—one, that we could not absorb all the production of the world and two, that we were not asking anybody to roll back production but merely moderate the rate of growth in the future, constituted the major part of the discussions. All the rest was detail.

I could not be honest if I didn't say that in most countries there was strong opposition to any consideration of this subject before we arrived. But we think that our discussions had a significant impact with some of the European countries that are willing to sit down and discuss this matter with us further in negotiations and we think the same is true or likely to be true among some of the countries of the Far East.

In our trip, however, we did not intend to negotiate and did not negotiate. We went merely to state the case. We did not make any demands or give any ultimatums. Our purpose was to exchange information on the subject as a basis for determining a course of action.

I have reported to the President on my trip to the Far East, as I had reported to him earlier on my trip to Europe.

We are now in the process of developing a plan and program to be presented to the President shortly, including a course of action to deal with the textile subject.

Third U.S.-Korea trade meeting emphasized commercial buildup

Trade expansion, investment prospects, textile problem discussed by two nations' Cabinet officers in two-day session

A part of Secretary of Commerce Stans' Mission to the Far East was a visit to Seoul that included the Third Annual Meeting of United States and Korean Commerce Ministers.

During extended sessions held with Korean Minister of Commerce and Industry Chung Yum Kim, the two Cabinet officers emphasized their mutual interest in expanding trade between the United States and the Republic of Korea, as well as the stimulation of further U.S. investment in Korea.

They also discussed the problem of growing exports to the United States of man-made fiber and wool textiles and apparel, and agreed to continue a dialogue on this subject.

In a joint communique issued at the conclusion of their discussions, Secretary Stans and Minister Kim agreed that the "comprehensive and friendly exchange of views expressed during their meetings had further solidified the strong ties of friendship and alliance between their two countries," and Minister Kim accepted Secretary Stans' invitation to hold the fourth meeting in Washington.

Major excerpts from the communique of the May 14-15 meeting follow:

The topics discussed at the meeting included the economic situation and foreign trade policies of the United States and Korea; barriers to expansion of trade between the United States and Korea; the climate for foreign investment in Korea; the textile problem; and the sister relationship between the U.S. National Bureau of Standards and the Korean National Industrial Research Institute.

Secretary Stans emphasized the determination of the United States to control

inflation and to restore a healthy balance of trade and international payments. He reaffirmed the long-standing policy of the United States of working toward a reduction of barriers to international trade throughout the world and urged the Republic of Korea to join in this effort to the mutual benefit of both countries.

Minister Kim reviewed the economic progress made by the Republic of Korea over the past several years and reaffirmed the policy of the Korean Government to liberalize international trade as rapidly as permitted by the domestic economic situation. The Minister noted the progress toward liberalization made since the introduction of the negative list system in July 1967 and indicated the Republic of Korea's firm resolve to continue reduction of remaining barriers to international trade. He urged that the United States, acting together with other industrial nations, give favorable and speedy consideration of preferential treatment for exports of developing countries in line with proposals made by the United Nations Conference on Trade and Development.

Secretary Stans expressed his admiration for the way in which the Republic of of Korea had increased its exports so considerably over the past several years and noted the significant increase of exports to the United States. The Secretary indicated his hope that United States commercial exports to the Republic of Korea would increase correspondingly. He suggested that liberalization of certain product licensing restrictions and early removal of import deposit and other non-tariff barriers would materially assist the export of quality U.S. merchandise and raw materials to Korea.

Minister Kim pointed out the relative advantages afforded by a number of Korean trade regulations to the exports of the United States. He also welcomed the establishment of U.S. private firms and traders in Korea, and further active sales promotion techniques such as the United States Industrial Machinery Exhibition currently being held in the Republic of Korea, and also suggested the possibility of an exhibition of packaging and handling machinery. On the question of exports of Korean goods to the United States, he urged speedy removal of the American Selling Price system of tariff valuation and requested assistance in eliminating differential freight charges imposed by shipping conferences on cargoes to and from Korea. Secretary Stans assured him that all such matters would be given fullest attention.

Secretary Stans reviewed for Minister Kim the details regarding the problem of growing exports to the United States of man-made fiber and wool textiles and apparel from Korea and other countries. The Minister expressed his understanding on the difficult situation faced by the United States, but also pointed out the vital importance of U.S. markets to overall Korean export promotion efforts and, in particular, the significant role which textiles have had in these efforts. The Secretary and the Minister agreed to continue the dialogue on this matter.

Secretary Stans noted that U.S. private investment approved by the Korean Government sirnce 1962 has amounted to about $70 million, indicating the fact that U.S. private investors continue to be interested in the growth and economic development of the Republic of Korea. He also noted that recent liberalization of the U.S. regulations on foreign direct investment should benefit Korea even more, so long as the investment climate remains favorable and competitive with other developing countries. The Secretary pointed out that a tendency to impose conditions that might cause problems for foreign investors should be avoided and that the presence of supporting service groups such as American law firms, insurance companies, and accountants offering a full range of services should be encouraged. The Secretary also urged that the Republic of Korea join the "Paris Union" International Industrial Property Convention, as well as the Universal Copyright Convention.

Minister Kim noted the contribution made by U.S. private investment in Korea and expressed the desire to encourage more U.S. long-term equity investment, particularly in joint ventures with Korean partners. He noted also the current plans for revision of the foreign capital inducement law which will provide even greater benefits, particularly tax benefits, to foreign investors. Minister Kim referred to the proposed second U.S. private economic mission to Korea planned for the fall, and in response to his request, the Secretary indicated that the U.S. Government would give it every appropriate assistance.

Secretary Stans referred to the steps taken thus far to effect the sister relationship between the United States National Bureau of Standards and the Korean National Industrial Research Institute and expressed the hope that a number of Korean nationals could be sent to the National Bureau of Standards for a period of training in selected areas of specialization. He also encouraged further exchange of technical publications. Minister Kim indicated the desirability of having experts from the National Bureau of Standards visit Korea. . . .

Temporary items affected adverse quarterly balance

$2 of $2.6 billion deterioration represents data not yet specific

The international transactions of the United States during the first quarter were strongly affected by temporary developments that caused severe distortions in the balance of payments, whether measured on the liquidity or the official reserve transactions basis. Consequently, neither balance can be used, without major qualification, to evaluate either the most recent changes or the longer run trends in the international financial position of the United States.

Based on preliminary data, the first quarter balance of payments measured on the liquidity basis was adverse by $1,365 million before seasonal adjustment and $1,778 million after adjustment. The latter figure followed a seasonally adjusted favorable balance of about $850 million (revised) in the fourth quarter of last year, the Commerce Department's Office of Business Economics reported.

Principal causes

Of the total $2.6 billion deterioration in the liquidity balance from the fourth to the first quarter, by far the larger part —$2.0 billion—was in transactions for which specific data are not yet available. These transactions include travel, transportation, investment incomes, other service transactions, private remittances, Government grants and credits, and all corporate capital transactions except the sales of newly issued bonds to foreign residents. Also missing are those transactions that are usually reflected in "errors and omissions." The most volatile transactions in this list are corporate capital transactions and the errors and omissions group. These two categories of transactions account for most of the first quarter change in the liquidity balance.

In contrast to the large deficit in the balance of payments indicated by the liquidity measure, the seasonally adjusted balance computed on the basis of official reserve transactions improved by about $820 million from the previous quarter, and showed a first quarter sur-

plus of $1,126 million. Before seasonal adjustment, that surplus was $1,711 million.

The large difference between the $1.8 billion adverse balance measured on the liquidity basis and the $1.1 billion surplus measured on the official reserve transactions basis comes about mainly from the treatment of the very large rise in liquid liabilities to foreign banks (primarily foreign branches of U.S. banks). This increase reflected the rising stringency in domestic credit markets since late 1968. The tightening in credit intensified the competition among U.S. banks for deposits needed to strengthen individual reserve positions in the Federal Reserve Banks and thus their lending capabilities. As a result of this competition, U.S. banks offered sharply higher rates for dollar deposits and for loans obtained through their foreign branches.

Two major sources

The funds that were attracted by the foreign branches of the banks may be attributed roughly to two major sources:

First, about $1.7 billion of the increase in liquid liabilities to foreign banks had a counterpart in a decline in liquid liabilities to foreign official agencies. These changes, about $200 million of which were seasonal, occurred mainly in January. To a large extent the decline in liquid liabilities to foreign official agencies reflected their policies to encourage a flow of dollars from their official reserves into the Euro-dollar market. The decline in liquid liabilities to foreign official agencies diminished sharply after January as several of the major foreign countries discontinued their policy of encouraging dollar sales.

The remainder of the rise in liquid dollar liabilities to foreign banks originated primarily from the net payments of dollars by U.S. residents to those of other countries during the first quarter.

Both the relatively high rates of interest offered by U.S. banks through their foreign branches to foreign dollar holders, and the large sales of dollar holdings by foreign official agencies have been associated with policy measures adopted here and abroad that in large part are designed to meet comparatively short-term economic problems. The sensitivity of the flow of dollars between foreign official agencies and foreign banks to potential changes in such policies should be considered in evaluating the large balance of payments surplus measured on the official reserve transactions basis and in assessing the difference between this balance and the liquidity balance.

The balance on the liquidity basis was also affected by several temporary developments. Although data on corporate transactions are not yet available, there is reason be believe that the most important of these was an apparent outflow of corporate capital, which reversed a temporary inflow in the preceding quarter.

Much of that inflow was induced by the 1968 ceilings imposed by the regulation of direct investment capital outflows. Corporations that exceeded the ceiling earlier in the year had to repatriate funds either from their foreign affiliates or through new borrowing before the end of the year. Some corporations repatriated more than was required because of uncertainties about their yearend position relative to their ceiling. To a large extent these repatriations appear to have been done by obtaining foreign funds for a relatively short period only.

Finally, special financial transactions by official agencies of the United States or of foreign countries resulted in net receipts of about $120 million. This compares with about $820 million in the fourth quarter of last year, and with a quarterly average of about $570 million in 1968 as a whole. The small net receipts that did show up in the first quarter reflected the fact that international lending agencies temporarily invested the proceeds from their new bond issues in U.S. Government agency bonds.

Transactions for which first quarter data are currently available—but omitting special financial transactions of official agencies referred to above—resulted in seasonally adjusted net receipts of about $1 billion, as compared with $830 million in the previous quarter. The balance on transactions in securities and in U.S. banking claims improved by about $410 million, but the balance on merchandise trade deteriorated by about $90 million, and cash receipts associated with military sales contracts declined about $150 million.

Merchandise trade

Merchandise trade (excluding Department of Defense exports and imports) was in deficit by $300 million in the first quarter of 1969 as compared with a deficit of $210 million in the fourth quarter of 1968 and a surplus of $190 million in the third.

Both exports and imports were affected by the dockworkers' strike on the Atlantic and Gulf Coasts, which was originally expected to begin in early October but was postponed until Dec. 20. Most of the affected ports were closed until the middle of February but in some the strike continued through March. Imports were affected less than exports because some of the major import shipments—particularly petroleum and certain raw materials—do not depend on dockworkers for unloading and because the ports that were closed longer are more important for exports than for imports.

Trade data will probably reflect the effects of the strike through most of the second quarter of 1969 as backlogs of delayed shipments are worked off.

Exports declined about $960 million from the fourth quarter to $7,375 million, and imports dropped about $870 million to $7,680 million.

After adjustment for the September speed-up and the corresponding October shortfall, trade in the third and fourth quarters of 1968 appeared to have been nearly in balance. Presumably most of the first quarter decline from the adjusted fourth quarter figures—about $1.3 billion in exports and $1 billion in imports—will be made up in the second quarter. There may be some permanent loss, however, probably more in exports than in imports.

Foreign securities purchased

Net U.S. purchases of foreign securities in the first quarter were $290 million after seasonal adjustment. This was about $150 million less than in the fourth quarter of 1968. Redemptions of foreign securities increased about $65 million, and U.S. transactions in outstanding foreign securities shifted by about $100 million, from net purchases to net sales. The first quarter was the first since the middle of 1967 when U.S. sales of outstanding foreign securities exceeded new purchases.

Purchases of U.S. securities by foreign residents rose more than $100 million to $1,365 million in the first quarter.

Net foreign purchases of outstanding U.S. private securities, mostly stocks, rose nearly $70 million in the first quarter to $760 million. However, purchases dropped off during the quarter from the January high of about $360 million. The strong growth in these purchases since mid-1967 has been a very important favorable factor in the U.S. balance of payments.

International and regional organizations bought nearly $200 million in U.S. Government agency bonds in the first quarter, about $80 million more than in the fourth. These investments, which are temporary in nature, are included among the special financial transactions.

Claims on foreigners reported by U.S. banks for themselves and for their domestic customers declined $80 million, seasonally adjusted. The shift from a net increase of $130 million in the fourth quarter had a favorable effect of about $210 million on the balance.

Complete balance of payments tables and further analysis will be published in the June *Survey of Current Business.*

U.S. credit seminars in Far East find high cost of goods, financing hindering American trade there

Imaginative, flexible credit practices, aggressive salesmanship, use of engineering studies to develop sales are urged by group

If the U.S. wants to improve its solid position in the growth markets of the emerging nations of Southeast Asia, it must foster some new sales and financing policies in the months immediately ahead.

So reports a Government-industry-banking team just back from discussions in five Far East nations.

The word from Bangkok, Kuala Lumpur, Manila, Seoul and Taipei is that high prices of U.S. products, high shipping costs, high interest rates and inflexibility of financing terms are cutting into American sales in these markets to an increasing degree.

What to do about it? Some clues were brought back by team members. A Caterpillar representative found unusual response to a sales technique his company calls "total cost bidding." A consulting engineer urged that the U.S. enter the field of feasibility studies offered without cost to Asian enterprises, a practice already engaged in by major competitor nations. The mission members learned that imaginative credit practices might well overcome the initial sales disadvantage of high U.S. prices.

Sales returned $16 million

Despite these obstacles to U.S. exports, the mission did return with more than $16 million of orders for U.S. goods. This gratifying contribution to U.S. export expansion was an "extra," since the education of overseas buyers on U.S. credit terms rather than actual sales was the group's main target.

The team met with nearly 800 persons interested in export financing during its 23-day trip. The team's mission was to explain to local businessmen, bankers and government procurement officials, the facilities available in the U.S. to finance their imports of U.S. goods and services.

Through the presentation of prepared talks and informal group discussions, the U.S. mission further described U.S. credit facilities to the seminar audiences. Formal discussion topics covered the role of Eximbank and FCIA in export financing; special export financing programs of AID and Agriculture's Commodity Credit Corporation; the role of commercial banks in export financing; and the use of credit by the American businessman.

Team members

Participants in the first U.S. export credit seminar from the American banking community were: Gardner S. Jacobs, vice president, Wells Fargo Bank, San Francisco; Sherwood J. Hanft, vice president, The Bank of New York; Robert D. Haven, Far East representative, The First National Bank of Chicago; and Willem Winter, vice president, First National Bank of Oregon.

Industry team members were: G. J. Fearon, vice president-administration, Brunswick International; Donald G. Keesee, director, Overseas Finance, Deere and Co.; William A. Clevenger, executive vice president, Woodward-Clyde Associates, representing the Consulting Engineers Council; Fred V. Dickinson, Caterpillar Far East Ltd.'s Hong Kong representative; and Joseph Bolz, president, Fenchurch Corp.

Representing the export insurance field was, James D. Halliday, executive vice president, Foreign Credit Insurance Association (FCIA).

U.S. Government officials were: Dallas M. Coors, Office of Commercial and Financial Policy, U.S. Department of Commerce, as team leader; Ralph E. Spencer, special assistant to general sales manager, Commodity Credit Corp., U.S. Department of Agriculture; Leonard R. Koser, deputy to the vice-president, Exporter Credits, Guarantees and Insurance, Export-Import Bank; and local Agency for International Development representatives.

Roundtable discussions centered on financing imports of specific U.S. products having high sales volume or promising potential. Categories covered included agricultural products; heavy machinery; building equipment and supplies; and durable and non-durable consumer products.

Two sessions discussed U.S. export credit programs as they relate to Asian bankers and government officials. The session for commercial banks and financial institutions included presentations on credit information, access to U.S. money markets, and the relationship of the Eximbank and FCIA to commercial banks. The meeting on financing government procurement of items purchased from the United States included discussions of central government guarantees, bid procedures, sources of financing and financing of feasibility and engineering studies.

Useful information on local marketing and trading conditions, gathered through private and informal contacts between U.S. team members and the local officials in each country, also helped to round out the program.

Engineering studies without cost

William A. Clevenger, executive vice president, Woodward-Clyde Associates, representing the Consulting Engineers Council, said he was, for example, "informed of, and saw, excellent feasibility reports which had been prepared by engineering firms of our competitor countries which had been done free for clients in the recipient countries. The engineers preparing the report were paid by their government."

Clevenger, the team's only engineer, recommended that the U.S. government greatly expand its program of providing financial support to private engineering firms. "Very few U.S. consulting engineering firms can afford the expense of furnishing good feasibility reports free as promotional endeavors," Clevenger said.

Caterpillar Far East Ltd.'s Hong Kong representative, Fred V. Dickinson, said of the seminar, "It was a tremendous success, and it substantiates our belief at Caterpillar that an improvement in our exports and the development of the countries in Asia can best be met by the combination of Government and free enterprise working in their respective areas of expertise and responsibility.

"Since our presentation of Total Cost Bidding in the U.S. Export Credit Seminar, we have received about 150 requests for further information on total cost bidding from both government and private individuals," Dickinson said. Caterpillar's total cost bidding concept guarantees all

costs, including initial price and total maintenance and replacement part costs, for up to five years.

As a result of its seminar findings, the team has offered the following recommendations to improve the position of U.S. exporters:

- Find a way to offer preferential interest rates to compete with the aggressive competition of Western Europe and Japan.
- Explore tax incentive programs for banks and exporters.
- More imaginative use of facilities available under present credit standards and develop more flexible terms to meet competition.
- Give assistance to commercial banks to support their extension of export credit; revise Federal Reserve guidelines to exempt export financing and facilitate access to the rediscount facility.
- Pursue leasing as a new method of financing U.S. exports to Asian markets.
- Examine warehouse financing where U.S. exporters are seen as not providing enough readily available spare parts and servicing facilities.
- Consider government assistance in financing of feasibility studies undertaken by U.S. engineering firms as a means of assuring long term market penetration.

In addition to these suggestions on financing, certain additional steps to further the U.S. sales position in foreign countries were also suggested:

► U.S. exporters should strengthen their efforts in "up-country" markets. Other countries are active in these markets, particularly the Japanese.

► Commerce should expand its promotional program in Malaysia since there is great interest in U.S. products in this growing and stable market. Also, more visits by American business firms needed in this country.

► Agribusiness development centers should be established in Thailand, Malaysia, the Philippines and Taiwan. The total farming effort represents a tremendous potential in the Far East as a means of long term market penetration, the team said, and financing of Agribusiness programs should not be neglected.

BROCHURES TRANSLATED into Thai and Chinese published for the seminars described credit facilities available in the U.S. to overseas buyers.

Observations by other industrial team members reflected their feeling that present credit procedures should be revised and new ones developed to strengthen America's competitive position in the international market place.

Joseph D. Bolz, president, Fenchurch Corp., said, "In the seminar we were able to clarify what is needed to properly consider granting of credit. At the same time we were also able to suggest how the U.S. could and would be competitive, which, I have a feeling, a great many importers doubted.

"How many we convinced is indeed open to question, but if their bankers accepted the fact that reasonable credit is available from the U.S., I think that in their advice to their customers, the story will get across," Bolz said.

Specific actions were suggested by two other industry officials.

G. J. Fearon, vice president-administration, Brunswick International, recommended that the Eximbank relax its present rules whereby direct finance at 6% is available only for sales involving multiple supply sources and multimillion dollar volumes.

"It is my recommendation that the Eximbank should diminish its functions as a guarantor in favor of placing greater emphasis on the direct financing of foreign trade," Fearon said. "I have no substantial criticism of its interest rate of 6%, but I believe that it should be more fully em-

U.S. CREDIT SEMINAR spokesmen confer on findings after trip to Far East. Seated l. to r., Dallas M. Coors, Office of Commercial and Financial Policy, U.S. Department of Commerce, as mission leader; Leonard R. Koser, Export-Import Bank; William A. Clevenger, Woodward-Clyde Associates; Ralph E. Spencer, Commodity Credit Corp., U.S. Department of Agriculture; James D. Halliday, FCIA; and Willem Winter, First National Bank of Oregon.

ployed as a direct instrument in supporting U.S. exports."

Donald G. Keesee, director, Overseas Finance, Deere and Co., said, "the cost of exporting financing can be improved if Eximbank, commercial banks and manufacturers will cooperate to make greater use of Eximbank's discount facility; and the Federal Reserve will ease the bank guideline lines for export transactions."

Provide low financing

"Failing the effectiveness of these methods, or in addition thereto, consideration should be given to proposals to induce the banking community to provide low cost financing," Keesee said.

An export credit insurance agency spokesman said the basic educational benefits derived from the seminar seemed important to him.

James D. Halliday, executive vice president, Foreign Credit Insurance Association, said, "One of the major problems facing FCIA is to locate reliable sources of credit information, particularly in areas such as the Far East where this information is difficult to obtain.

"From this standpoint alone, the seminar was valuable since we have already utilized credit contracts made on the trip for several large transactions," Halliday said.

"Moreover," he continued, "the education received regarding accounting practices was an eye-opener. . . . The buyers, too, learned what we expect of them in terms of financial information and this should result in long-range benefits."

Eximbank and the U.S. Department of Agriculture also expressed views:

Leonard R. Koser, deputy to the vice-president, Exporter Credits, Guarantees and Insurance, Export-Import Bank, said, "Even though it is apparent that there continues to be a strong demand for U.S. goods and services, it is also apparent that the U.S. has strong and effective competition from Western Europe and particularly from Japan."

R. E. Spencer, special assistant to general sales manager, Commodity Credit Corp., U.S. Department of Agriculture, said he found the trip valuable "not only from what we learned in the countries where we held seminars, but also in seeing the other side of international trade. There were some concrete leads that hopefully will lead to additional business."

Comments by four participants from the American banking community went as follows:

Willem Winter, vice president, First National Bank of Oregon, said, "Reasonable pricing and good quality of the merchandise are of course important to the overseas buyers, but low down-payments and long payment terms appear even more interesting. Tax incentives, relaxation of federal guidelines and better rediscount facilities would all be beneficial to U.S. export promotion."

ADDITIONAL SEMINAR TEAM members on first U.S. credit mission overseas, above l. to r., Joseph Bolz, Fenchurch Corp.; Donald G. Keesee, Deere and Co.; Sherwood J. Hanft, The Bank of New York; and Gardner S. Jacobs, Wells Fargo Bank, San Francisco. Other members not in pictures, Robert D. Haven, Far East representative, The First National Bank of Chicago; G. J. Fearon, Brunswick International; and Fred V. Dickinson, Caterpillar Far East Ltd.'s Hong Kong rep. Nations were visited, Feb. 24-Mar. 19.

Sherwood J. Hanft, vice president, The Bank of New York, said the seminars had served "to underline the gap that exists in the cost of financing between the United States and our major competitor in the Far East, namely Japan."

Current critical factor

Robert D. Haven, Far East representative, The First National Bank of Chicago, said, "From the commercial bank's point of view the current critical factor in providing adequate export financing is the voluntary foreign credit restraint program. Because of a full position under this program it is often necessary to resort to Eurodollar financing as a substitute; this then means higher interest rates and more difficulty in concluding an export sale.

"Especially onerous is the fact that Exim-guaranteed or FCIA-insured exports are exempt but export transactions where the commercial banks are willing to take the risk alone and often provide lower total cost financing are included in the restraint program.

"Where longer terms are required or added assurance of repayment is necessary, these two programs can materially assist in arranging adequate export financing," Haven said. "Commercial banks should not, however, have to view these two institutions as a means of providing sound export financing outside the guideline program."

Gardner S. Jacobs, vice president, Wells Fargo Bank, said, "One benefit which I do not believe was anticipated was the opportunity for potential sales and financing negotiations.

"I believe that this fact in itself justifies the expense in continuing the program," Jacobs said.

Summing up, the seminar team leader, Dallas M. Coors, Office of Commercial and Financial Policy, U.S. Department of Commerce, said, "The primary objective of the mission was to inform the businessmen in the countries visited of American credit facilities available to finance U.S. exports.

"On the other hand," Coors said, "we were pleased that the team developed firm sales in Thailand and the Philippines of more than $16 million, and laid the groundwork for substantial follow-on sales.

"We believe that the credit seminar concept has undoubtedly strengthened the U.S. commercial presence in the countries visited. Such a seminar might well become a permanent part of the government's trade promotion program," Coors said.

EXHIBITION BRIEFS *WORLDWIDE*

EIGHTH INTERNATIONAL PLEASURE BOAT SHOW, Pateaux, France, Jan. 1-10. Over 1,000 pleasure boats, about 40% of which were sail boats, were exhibited by 615 firms. Because direct participation was not possible, 18 U.S. exhibitors showed their products together with French or foreign goods at importing booths. U.S. products made up 15% of the French show. At this leading boat show in Europe, products that show a good potential for U.S. companies include: most types of boats, navigation equipment, boat servicing equipment such as do-it-yourself repair kits, and fishing, skiing, and underwater equipment. About 6% of the show's 250,000 visitors were classed as trade. Next show, Jan. 1970.

INTERCHIC 1969, Berlin, Apr. 9-13. Established this year to supplement Durchreise, a traditional semi-annual fashion buying event, Interchic purchasers did not have to visit factory show rooms as was customary, but found all exhibitors in a central location. U.S. was represented by five garment manufacturing firms. A second Interchic is planned for Oct. 13-17, and will be held twice a year thereafter. October shows will feature spring and summer apparel; the spring show, fall and winter items.

ASMARA EXPO '69, Asmara, Ethiopia, Feb. 1-23. Few foreign imports were in evidence at this exhibition which was part trade show, part tourist attraction, part investment stimulator. Almost entirely a local effort, major suppliers of oil, including Mobil, were the only non-local firms permitted displays. Asmara commercial firms displayed the imports at their own stands. Visitor reaction indicated U.S. and Italian tractors were the most striking of these items. Dates for the next Expo have not been set.

EIGHTEENTH AUSTRIAN SPORTING GOODS TRADE FAIR, Vienna, Feb. 23-25. A few U.S. manufacturers including Head Ski Corp. and Blue Bell were represented by foreign agents. A total of 223 exhibitors included 198 local Austrian companies. There were 1,729 trade visitors. In general, however, the show covers all types of equipment from outdoor swimming pools to air mattresses, and is open to exhibitors of all products related to sports, travel, and recreation. Winter sporting equipment dominates the show. Next show, spring 1970.

Beirut Catalog Fair drew 364 U.S. firms; furniture, appliances were major categories

Samples Display Center organizes exhibit attended by 68 Lebanese firms; 25 companies indicate further interest in products shown

A U.S. Catalog Fair, organized by the Beirut Sample Display Center, Beirut, Lebanon, and held for a three-week period included catalogs from 364 U.S. firms handling general household and institutional supplies and equipment and large machinery.

The Display Center invited approximately 3,000 local business firms, trade organizations in Lebanon, and several Commercial Officers in the Middle East to attend the exhibition.

Catalog Display Centers allow U.S. products to be exhibited through catalogs, brochures, pamphlets and other forms of information before a new and interested audience without conducting a formal exhibition of the actual products. This allows foreign businessmen to acquaint themselves with what American products are available, and to provide them with information on current trends and new product developments of which they may not be aware.

Representatives of 68 local Lebanese companies visited the exhibit of U.S. product catalogs. Twenty-five of them indicated further interest in products shown.

The catalogs of the U.S. companies displayed products including furniture, power and hand tools, kitchen ware, industrial, construction and agricultural equipment and materials, sanitary equipment and fixtures, food processing systems and equipment, electronics equipment, cosmetics, jewelry, watches, lingerie and recreational equipment.

The four areas with the largest number of U.S. companies represented through their catalogs were: furniture, with 110 companies sending their catalogs; general appliances for households and institutions, 71 companies; industrial, construction and agricultural machinery and supplies, 55 companies; and kitchen ware with 45 company catalogs.

Other areas of major representation included power and hand tools, sanitary equipment and fixtures, cosmetics and personal care products, and medical equipment and supplies.

Of the 364 participating companies in the display, 19 have active agency and representation agreements in the local Lebanese market; however, their catalogs were included in the display.

Although information on furniture was the largest category of the exhibition, local business firms were less inclined to this line of products than others. This is due to the prohibitive customs duties imposed on items of furniture for the protection of local firms that are active in this manufacturing field. However, many firms were interested in the furniture catalogs either for business in other countries or for familiarizing themselves with current U.S. trends.

With the exception of household furniture company catalogs, all companies that had sent information for display in the exhibition and who are not represented in the local Beirut market area, will be entered on file with the Commercial Section for further reference to local concerns seeking U.S. products.

Osaka Fair Commission plans general trade show and two future exhibitions

Dates for the bi-annual general trade fair sponsored by the Osaka International Trade Fair Commission have been set at Apr. 16-29, 1970. The trade show will occur during the run of the first Asian World's Fair, Expo '70, also in Osaka, Japan.

In the past, Osaka and Tokyo have alternated holding a yearly general trade fair, but due to the belief of the Fair Commission that general trade fairs are diminishing in value for Japan, it is planned to begin conducting an annual specialized trade show in Osaka.

The Fair Commission further feels that Expo '70 will attract many visitors who will also be interested in their trade fair. Specializing mainly in the industrial machinery field, the exhibition will feature textile machinery.

Applications for this show will be accepted beginning June 16.

The Trade Commission is also planning two other shows for Osaka; the first will be Inter-Engineering '70; the second a consumer goods fair in 1971. Dates for these shows are not yet final.

Write: Osaka International Trade Fair Commission 58, Hashizume-Cho, Uchihon-Machi, Higashi-Ku, Osaka, Japan.

Nordic Electronics exhibitors say: time now to build U.S. sales

Immediate sales total $355,540; predictions for future at $2 million

Action in the fast-growing Scandinavian electronic market is reflected in sales figures from the Stockholm Trade Center's exhibition of Electronic Components.

Scandinavia's market potential for these devices was commented on by one exhibitor who reviewed sales figures and said, "This indicates that the Nordic market is ready for harder sales efforts." He urged another electronics show at the Center in about 18 months.

A total of 1,422 trade visitors viewed displays of the 39 exhibitors and placed $355,540 in floor orders. According to projections, over $2 million in sales will be added in the next 12 months due to show contacts.

The exhibition received favorable comments by several exhibitors and Scandinavian agents. A representative of Litton Industries, Beverly Hills, Calif., remarked that the show was very well handled, adding, ". . . Some people tell us this is the best staged show in Sweden."

A Swedish agent representing an exhibitor pointed out that in his opinion the Stockholm electronics show was going to be the best show of the year.

Results of this exhibition confirmed the opportunities that arise in the Scandinavian countries due to the necessity of importing half of their needed electrical components. Currently the U.S. is their leading supplier for many of these advanced devices.

Also reflected in the exhibition's results is the anticipated growth rate of 10% per year for electronic equipment.

Scandinavian industry is also expected to nearly double its purchases of integrated circuits this year, and there was heavy participation by exhibitors and interested visitors in this field at the trade center show.

Signetics International Corp., Sunnyvale, Calif., was the show's leading sales producer and one of 28 exhibitors indicating full achievement of marketing objectives. One Norwegian manufacturer purchased $300,000 of their equipment.

Attendance at the April 16-22 show was 93.5% Swedish and all but 32 of the others were from the Nordic nations.

SWEDISH BUYER and U.S. representative (above) discuss business in Stockholm Trade Center. Below right, Burroughs Corp. official points out technical data to potential buyers during the exhibition.

POINTING TO A DIAGRAM on the wall, G. T. Schjeldahl Co. representative (above left) converses with client. Completing a new sale (below), a General Electric Co. official explains the final details.

REACHING ALMOST $1 MILLION in floor sales, Nibco Inc. reported the highest sales of the American exhibition at the Hanover Fair. Nibco representative (above left) introduces a new valve to South African buyer. Ace Controls, Inc. official (above right) discusses products with American Embassy representatives.

WITNESSING THE REGISTRATION of a potential distributor, is a Circle Seal Products Co., Inc. agent. German buyer and J. Carter Miller, president of Carter Controls, Inc. (below) complete a contract.

U.S. show at Hanover Fair reports $2 million in floor sales, attracts 211 agency candidates

One firm at fluid exhibition wrote floor orders for nearly $1 million; promise of fast shipments, thorough planning aided in reaching buyers

A surprised U.S. manufacturer of valves and fittings, joining a U.S. exhibition at the International Hanover Industries Fair primarily to locate agents and test the German market, found instead that it had to add to its booth staff to handle almost $1 million in floor sales.

This experience of Nibco Inc., Elkhart, Ind., was one of the highlights of the U.S. Fluid Power and Transfer Equipment Exhibition at the prestigious Hanover Fair. When the doors closed on the 10-day show on May 5, the 32 U.S. exhibitors had received floor orders for over $2 million worth of equipment, and expect that sales in the coming year as a result of their displays will reach an additional $4.2 million.

Nibco also was busy throughout the show discussing foreign distributorships, interviewing 78 candidates from 17 nations. This level of negotiations was typical of such activities in the U.S. exhibition. Reportedly, 211 applications for agency/distributorships were under consideration by 22 companies expanding overseas representation. Ten were signed during the show.

Several factors contributed to the success of the U.S. participation in the Hanover Fair, which drew its usual massive public attendance, about 700,000 this year.

One of these was the well-publicized offer by U.S. firms to make rapid delivery of their equipment to European customers.

Pre-fair planning also paid off. A representative of Hi-Shear Corp., Torrence, Calif., commented that his firm appreciated the "back up of physical facilities and on-site help to relieve exhibitors of all problems that could distract them from the basic job of making contacts with visitors."

Press coverage went farther than usual for this exhibition. Five U.S. displays were selected by a national German television program for prime-time viewing.

Nibco's near million dollar sales volume and large number of agent applicants were only part of its exhibit story. The company anticipates an additional $965,000 in sales for the balance of this year, estimate over $1.5 million for the next year, and $2.1 million for 1971.

Other successful firms include Carter Controls, Inc., Lansing, Ill. Writing $52,000 in floor orders, it estimates that figure will expand by $750,000 within 24 months. The firm also hired a European sales manager and four new representatives.

Commenting on the show, a Carter official stated this was the "best exhibition with the best results in our 18 years of exhibiting." Carter attends two shows each year.

Reporting $90,000 in immediate sales,

CCI Pumps Division, Chemical Cleaning Inc., New Orleans, is establishing a German sales distributorship, and expects sales for the coming 12 months to reach $250,000.

More high sales

Displaying Polly-Pig pipe line cleaners, Girard Polly-Pig of Houston is considering 30 applicants for distributorships in 12 countries. A Girard vice president commented that his firm has "attended many trade shows in the past nine years, but never have we seen such a turnout nor generated such a response. Though it was not my primary objective, I have some 100-150 potential new customers that I consider excellent leads."

President of Sharp and Oughton, International Inc., Kenilworth, Ill., Charles D. Oughton, remarked, "The USA exhibit was very well organized and attractive. We felt we were able to entertain and talk with our clients under very good conditions . . . We would very much like to participate in any such shows at Hanover in the future." His firm sold $260,000 in goods at the exhibition and estimates additional sales of $300,000.

With exhibition sales totaling $400,000 and $150,000 projected for the next 12 months, Skinner Precision Industries, Inc., New Britain, Conn., feels they fully achieved their primary objectives in participating.

Of the total U.S. exhibitors, 12 were entering the German market for the first time. A total of 23 exhibits were manned by U.S.-based officials. The number of trade visitors was 2,150.

DEMONSTRATING NEW PRODUCTS FOR GERMAN CLIENTS, (above) is Bachman Valve Corp. agent. German TV crew (below) records the Aro Corp. display for a national prime-time German show. Aro was one of five displays picked for TV. Fair promotions such as this contributed to high sales.

POTENTIAL CUSTOMERS QUERY Skinner Precision Industries, Inc. agent (below left) about latest valve developments. Skinner reached $400,000 in floor sales. One of 38 potential distributors (below right) watches as a Girard Polly-Pig representative explains new rotating pipe line cleaners.

Finns in dynamic upswing

Economic stabilization program brought first trade surplus in decade

Thanks to the effective working of last year's economic stabilization agreement, the Finnish economy has moved decisively into an upswing.

Negotiations are now underway for a continuation of the stabilization program into 1970, according to the semiannual Economic Trends Report from the U.S. Embassy in Helsinki. The prospects for a successful agreement to restrain incomes and costs are good even though difficult issues, such as agricultural income, confront the negotiators.

Devaluation, a stabilized economy, good demand in principal export markets and a low-level of domestic investment brought the trade balance and current account of 1968 into surplus for the first time in ten years. At the end of 1968 the favorable trade balance, including certain adjustment items, was $26 million, and the current account, in deficit by $116 million in 1967, was in surplus by $76 million. As a consequence, foreign exchange and gold holdings of the Bank of Finland doubled and total reserves almost tripled, with the increase predominantly in convertible currencies. Gold holdings have not changed appreciably.

Another surplus in view

For 1969 the outlook is for another surplus in the current account, probably in the neighborhood of $70 million. Exports are expected to rise in volume by 9 to 10% but imports, under the influence of rising investment, will probably grow more, perhaps close to 11%. The trade balance will thus be moving away from a surplus and close to equilibrium. The projected current account surplus will be made possible chiefly through gains in services, such as ocean transportation.

The backbone of exports will continue to be furnished by the forest products industry, which has been enjoying brisk foreign demand since last summer and is now anticipating higher prices. Products of the metal and engineering industries and consumer goods relying on design will continue the good progress which is helping to diversify the content of Finnish exports. Import growth will come chiefly from capitial goods and raw materials, but the rate of increase for consumer goods, including passenger cars, should improve over last year.

Starting a little later than government forecasters expected, investment is now moving along in line with predictions for a husky 12% increase over 1968 in the volume of gross domestic fixed capital formation. Most of this growth will not be evident until the second half of the year. The increase will be almost entirely in the private sector, for which a 16% growth is now estimated. Much of the private investment money is going into the forest products industry, chemicals, mining and construction. Public works may actually show a decline in volume from last year.

Investment is being stimulated by confidence in the economy, an easier money market, a more advantageous business tax structure, the phaseout of the export levy this spring, reasonably good export expectations, and the need to raise production capacity after two years during which annual investment levels declined.

Now that investment decisions are being translated into plant and equipment, American exports of producer goods should find more receptive markets in Finland. Imports will rise by some 11%, chiefly in capital goods and raw materials.

Those industries expanding the most are in pulp and paper, especially in paper converting; chemicals, with special emphasis on petrochemicals; machinery and heavy equipment; fabrication of plastic products; and mining and ore dressing. Accompanying this new and expanding production is a continuation of last year's attention to improved management techniques, office systems and advanced office machines.

The market for consumer goods should show little change, with two possible exceptions. Passenger car sales—despite the lack of change in the crushing tax structure—have suddenly improved after two dismal years. For American auto makers, sales gains will come largely from their European plants.

Another consumer goods area with some growth promise is quality novelty goods based on topical design and youth appeal.

For American agricultural products, the outlook is best for raw cotton and dried and canned fruit. U.S. raw tobacco will retain its leading position, but there may be a slight decline in import volume.

Measures to reduce the butter surplus at the expense of margarine could result in restrictions on fats, oils and oilseeds. American exports of safflower seeds would probably be most affected.

Further tariff cuts

On Jan. 1, 1970, in accordance with the schedule for staging tariff reductions under the Kennedy Round, Finland will make its third 20% reduction in customs duties on negotiated items. Import restrictions, already at a low level or nonexistent for most American products, were slightly relaxed under the import program establishment for 1969.

Although the introduction in 1969 of a value-added tax in Finland had been considered, it now appears that 1971 will be the earliest time such a tax might be established.

American direct investment interest in Finland is moderate but growing. Most foreign direct investment in Finland is coming from the EFTA countries, notably Sweden. The volume is modest; in 1968 total direct foreign investment amounted to about $15.4 million. New American investment in Finland this year may be limited to participation in a new hotel project and the establishment of subsidiary marketing companies.

International groups

Finland became a full member of the Organization for Economic Cooperation and Development early this year. Study by the Nordic countries of the feasibility of expanding economic cooperation (NORDEC) is continuing. A working party of government officials is to present its recommendations for such an economic community by July 15, but present indications are that no major political decisions on NORDEC will be announced this year.

Industrial capacity actually in use is expected to rise steadily through the year, with the overall volume of industrial production forecast to go up by 7%. The forest products industry has been at virtually full capacity since last summer and is one of the leaders in new investment this year. From this burst of activity forestry is fully profiting and fellings this coming season should increase at a high rate, probably by about 10%.

Also operating at high capacity rates are the major shipyards, factories for papermaking machinery and certain other industries specializing in engineering products. Lowest capacity utilization seems to be in consumer goods production.

Large-scale industrial projects under construction this year include the Saab-Valmet assembly plant at Uusikaupunki for Saab passenger cars, a petrochemical complex near the city of Porvoo and the expansion of the Rautaruuki steel works with a rolling mill for thin steel sheet in Hameenlinna.

After a long period of decline, the crucial construction industry appears poised to become a principal contributor to the increase in national product. The overall 1969 rise in construction output is estimated at 12%. Much of the activity will be in dwellings financed by government loans, but industrial and commercial building is also moving upward, giving needed boosts to employment and the building materials industry. In January and February, the number of building permits granted was 30% above the same period last year.

The money market began the year with a much improved level of liquidity. Rediscounted bills with the Bank of Finland in January were about one-half of the amount recorded the previous January. The factors favoring a satisfactory continuation of liquidity, such as foreign exchange reserves and deposits, are expected to outweigh such restrictive influences as a reduction in domestic delivery credit participation by the Bank of Finland, the issuance of government bonds and amortization by the government of a Bank of Finland loan. The banks are consequently in a much better position to meet the growing demands which will be placed upon them this year by new investment and by production increases.

The liquidity improvement will not obviate the continued need for short and long-term foreign credits.

Because the Bank of Finland has recently pointed out that this year's pace of production and new investment may accelerate to a dangerous point, banking and industry circles fear that the money market may be prematurely tightened in the course of the year. As a result, a brisk public dialogue is now in progress on whether the economy may become overheated this year, and, if so, how and when remedial measures should be taken.

Up less than 1% last year, private consumption growth is calculated to be about 4% in 1969. The slow movement in consumption reflects the wage restraints of the economic stabilization program, high import costs and the normal lag in consumer spending at the start of an economic upswing.

Real earnings should rise

Supporting consumption estimates is the expectation that real earnings will be above last year and evidence that unemployment has already started a downward movement. In the industries with high capacity utilization, shortages of skilled labor have become increasingly evident, illustrating a part of the structural unemployment problem which is now more worrisome than cyclical influences.

On the other hand, in the depressed eastern and northern areas of the country, unemployment has grown, and continued change in agricultural and forestry production methods is reducing the need for rural labor.

The Government is being forced to come to grips with long-standing and fundamental agricultural problems. As a major symptom of these problems, production of butter and bread grains is outdistancing domestic consumption, export possibilities and storage facilities. To reduce the mounting and expensive surpluses, the government has started several programs to accomplish both an immediate drop in supply and long-range changes in agricultural production and the pattern of land holdings.

More measures are pending, including the possibility of selective import restrictions designed to limit output or encourage shifts in production away from products in surplus. Imports of certain fodder for dairy cattle use, for example, were prohibited at the beginning of this year.

Already high, the government expenditures on agriculture will have to be increased, putting additional strain on state finances and possibly forcing resort to new government bond issues at the expense of some bank liquidity. The process of change will be long and painful, both economically and politically.

The present stabilization program should keep consumer price increases at no more than 2% during 1969. This estimate gains credibility from cost-of-living index figures which have hardly changed since June 1968 and which actually dropped one point in March. The goal of a new stabilization agreement for 1970 will probably be to keep consumer price increases close to 3%.

The Finnish Government projection for growth in real gross national product for 1969 is 6%. A recent re-evaluation of business indicators suggests that growth might even go a bit higher. Even the most pessimistic expect at least 5% growth.

In each of the past two years gross national product has grown only about 2%. Exports now account for the greatest part of national growth, but as the year goes on, investments in manufacturing and construction should be the strongest factors.

Top U.S. sellers in Finland

The following products and services offer the best possibilities for American exports: raw cotton, dried and canned fruit, raw tobacco, synthetic yarns and thread, chemicals such as polymers, alcohols and inorganic bases, special valves and fittings; advanced metalworking machinery and machine tools, power driven hand tools, printing machinery, special paper mill machinery, pumps and centrifuges, office machines and electronic data-processing equipment, tractors, internal combustion engines and marine motors, construction and material-handling equipment, packaging machinery, mining and ore-dressing machinery;

Electronic components and accessories, electric measuring, testing and control equipment, motor vehicle parts and accessories, light aircraft and helicopters, non-electric measuring, testing and control devices, including engineering and laboratory instruments; medical, surgical and dental equipment;

Toys and games, management consulting services, engineering and architectural services; accounting and data-processing services.

Yugoslavs eye U.S. goods

Dealings with socialist state can be difficult, but profitable, says commercial specialist

By WILLIAM B. WHITMAN

Commercial Attache
U.S. Embassy, Belgrade

Yugoslavia's rapidly growing capital equipment and consumer market continues to provide American exporters with a number of opportunities to do good business. In addition, unlike other socialist countries, Yugoslavia offers the American businessman the possibility of long-term and profitable investments and other commercial relationships with Yugoslav enterprises.

The Yugoslav economy is in the midst of a strong recovery from the stagnation of 1966-67. This mini-boom has been paced by industrial production, growing at an 11% rate in May 1969, capital investments which increased by 26% during 1968, and a substantial rise in consumer credit.

At the end of 1968 the Yugoslav GNP stood at $10 billion, 6.5% higher than in 1967. The situation, however, is not without its pitfalls, as there are also pronounced upturns in both unemployment and living costs.

Yugoslav foreign trade also displayed a mixed picture in 1968. Last year's trade deficit increased by 18% to $540 million, of which by far the largest part ($480 million) was with the convertible currency area. Although the trade deficit is considerable, it is important to bear in mind that it is largely covered by increasing invisible earnings of hard currency, particularly from tourism and worker remittances. The overall deficit figure also contains a substantial trade deficit with Communist-bloc nations which reflects Yugoslavia's deliberate effort to reduce its large surplus balances with these countries.

U.S. is fourth

The United States remains in fourth place (behind Italy, Germany, and the USSR) among Yugoslavia's trading partners. America's 1968 exports to Yugoslavia declined by 27%, due almost exclusively to reduced imports of agricultural commodities under the PL480 program, while Yugoslav exports to the United States increased by 11%. Thus, U.S.-Yugoslav trade achieved virtual balance in 1968, with American exports of $90.1 million and imports of $89.4 million. In the opinion of many observers, conditions are ripe for a substantial increase in U.S.-Yugoslav trade, as Yugoslavia seeks to sell its products in our liberal, hard-currency market in exchange for the advanced machinery and know-how which is so vital to Yugoslav economic development.

For American exporters, the most important facet of the Yugoslav economy remains the fact that the campaign to make Yugoslav industrial and agricultural products fully competitive in world markets continues unabated.

Yugoslavs realize that efficiencies can be achieved only through use of the most modern and advanced machines, and as a result purchases of Western capital equipment continue to increase. In 1968 Yugoslav industrial imports totaled $1.66 billion, or 16% higher than the previous year. Many American companies shared in this upswing, and U.S. non-agricultural exports to Yugoslavia increased by 20% in 1968.

American and Western European suppliers have already profited from the Yugoslav drive toward modernization; however, with greater attention to and awareness of Yugoslav market needs and conditions, the American share of this market could be increased appreciably.

Areas of special interest

Yugoslavia's desire to become competitive in world markets and to resolve its trade deficit have led the Government to favor export-oriented industries in making allocations of foreign exchange for imports. It is among these industries that especially promising and prosperous markets for American goods are to be found.

Wood and wood products are important Yugoslav export earners and there is considerable interest in a program for the modernization of many branches of the industry. There is also a voluntary program of integrating the many small firms in this field into larger units, and then coordinating and standardizing equipment purchases by brand. Manufacturers of machinery for logging, primary timber processing, sawmills, and furniture manufacture would do well to investigate this market further.

The field of tourism is an important source of convertible currency, and as such the tourist industry receives preferred treatment in the allotment of foreign exchange for expansion. The continuous initiation of large hotel and recreational projects should provide excellent sales potential for American manufacturers of equipment for the hotel, restaurant, and recreation industries.

Closely allied with the tourist industry is the subject of water treatment, where interest, as evidenced by the large Yugoslav attendance at the PURAQUA show, is intense. In its tourist application, the shortage of fresh water in many areas of the Dalmatian Coast and islands has generated interest in desalination equipment. On the industrial side, recent Yugoslav legislation requires factories to install industrial waste water treatment facilities by 1970-71, hence there is also great interest in this type of water treatment equipment.

Another important field

The packaging industry is another field important to Yugoslav export hopes, and there is a realization that more modern, attractive, and efficient packaging and labeling are required in Western markets. An awareness of American leadership in this field, sparked by a U.S.-Government-sponsored seminar and exhibit at the Zagreb Fair, should provide good opportunities for U.S. manufacturers of packaging and labeling machinery.

Of course, great sales potential also exists in fields not directly connected with exports, such as communications equipment where a $500 million modernization drive is soon to begin. This program envisages large investments in increasing the number of telephones, installation of additional international and domestic telecommunications links, and construction of an earth-satellite communications station.

The Yugoslavs also have an ambitious long-term program for the construction of four-lane superhighways and other first class roads throughout the country. This program should provide large sales opportunities for suppliers of construction equipment and related items such as motel and other tourist equipment, reflective signs and markers, and various kinds of service station and auto repair equipment.

As in the case of European suppliers, American firms who have adopted a flexible approach to the Yugoslav market often find that they have the inside track on sales. While most transactions are handled on normal commercial terms, American businessmen can profit from Yugoslavia's strong desire to liquidate large clearing account surpluses by accept-

ing these currencies in payment. One American firm offering such possibilities from its Indian subsidiary found highly interested responses from the Yugoslav side.

A combination of foreign exchange shortages and problems in the marketing of farm exports has led to emphasis on barter arrangements when considering large capital purchases from Western sources. Here again American and European firms have been able to close very large sales in Yugoslavia by entering into barter agreements in partial settlement for such sales.

Also, as is normal in countries where hard currency is relatively scarce, great care is exercised in purchase decisions, with payment terms being a prime consideration. Credit competition among foreign suppliers is extremely keen, and liberal financing terms have been known to override price and quality considerations.

Accords with Western firms

Another approach to the Yugoslav market lies in the Yugoslav search for cooperative agreements with Western firms as a means of introducing the most modern technology. Such agreements frequently are based either on a licensing arrangement or on the Yugoslav manufacture of component parts for the parent organization.

In the case of parts manufacture, an American company's products may be freely imported up to the value of Yugoslav parts it has purchased and many Western firms continue to look to this kind of arrangement to boost their sales in Yugoslavia. Arrangements of this sort are reportedly favored by Yugoslav laws and regulations, with the contract between the two companies determining the conditions, payment terms, and other details.

Unfortunately, while many such agreements have been concluded with Western European companies, Americans have generally lagged in this field. However, one of the most important licensing-production arrangements involves an American firm, P. Lorillard & Co., which is cooperating with a Yugoslav tobacco firm for the manufacture of Kent cigarettes in Yugoslavia.

Philips Electric (Netherlands) and Citroen (France) are among many other leading Western companies having arrangements of this nature.

To further encourage Western participation in the Yugoslav economy, foreign firms are now permitted (and encouraged) to invest in joint ventures with Yugoslav firms with equity interests up to 49%.

The results of the relatively recent legislation have thus far proven disappointing to the Yugoslavs. Although modifications of the investment law to enhance its attractiveness to potential investors are planned, only six joint investments are currently in effect. However, here again an American firm occupies a visible and important role. Printing Developments International of New York recently concluded one such joint investment with the Belgrade Printing House for the creation of a high speed color printing facility, the first of its type in Yugoslavia.

American companies who are able to enter into co-production arrangements or joint investments with Yugoslav enterprises will find they will have a decided competitive advantage in the Yugoslav market. Also, a law passed in September for the first time permits foreign firms having joint investments or co-production agreements with Yugoslav firms to open offices in Yugoslavia. Although these offices will not be able to conclude sales directly, a number of American and West European firms are actively looking into opening Yugoslav branches as a way of providing sales and technical back up for their Yugoslav operations.

Another means by which many American companies boost their sales potential is through retention of a Yugoslav agent. Yugoslavs frequently complain that many American firms sell in Yugoslavia through infrequent flying visits or through a regional agent somewhere else in Europe. In my rounds I find that European companies are often favored over our own because they usually have Yugoslav agents. Cultivation of the complex Yugoslav market usually requires the full-time, on the spot attention that only a local agent can provide.

Another frequent Yugoslav complaint concerns spare parts availability. Situations where large production lines using imported machinery are halted by lack of parts continue to occur. As a result, some Yugoslav enterprises are definitely interested in the ability of foreign equipment suppliers to follow-up sales by providing continuous and easy access to spare parts.

Therefore, I recommend that U.S. companies planning sales efforts in Yugoslavia be prepared to assure customers on this point by either entering into consignment stock arrangements with their Yugoslav agent or proving that they are able to assure rapid parts service from a European depot.

Concern over foreign trade imbalances has led Yugoslavia to impose an import license requirement on the import of a number of items and to shift many goods to more stringent foreign exchange control categories. In addition, the import of many other items is governed by consultations in which Yugoslav producers of competitive products figure prominently.

Also, because of Yugoslavia's wish to draw down its large surpluses in clearing accounts with COMECON and other nations, the import requirement for some products tends to favor clearing sources. Many of these restrictions have come under heavy criticism within Yugoslavia, and their fate is uncertain.

Because of its unique situation and problems, doing business in Yugoslavia sometimes requires special techniques to achieve maximum business success. However, a large number of American and European companies continue to find this growing and increasingly sophisticated market highly rewarding.

TOURISM INDUSTRY is an important foreign exchange earner for Yugoslavia, and its continuous expansion provides excellent sales potential for U.S. suppliers. Below, the port of Dubrovnik, a tourist favorite.

Austria in higher gear

Decided upswing likely to bring real GNP growth rate of 5% in 1969

The Austrian economy is doing much better now than it was 12 to 18 months ago, and with a few exceptions the overall trend for the rest of 1969 is expected to be upwards.

In 1968 the real growth rate of GNP was 4.1%, compared with 3.1% in the preceding year. The decisive upswing occurred in the second half of 1968 and has continued through the first months of this year, according to the semiannual Economic Trends Report from the U.S. Embassy in Vienna.

Austrian economists are predicting at least a 5% real growth rate for 1969, a prediction that seems reasonable under present conditions. High exports and a build-up of inventories have been the main contributing factors, aided by stable prices, a sustained good performance in industrial production, and record farm yields.

Lively demand abroad, combined with an intensified export promotion campaign, has led to a strong expansion in Austria's foreign trade over the past 15 months, especially in exports. After an increase by 10% in exports and 8% in imports during 1968, the new year shows a similar trend, although there is some fear that lagging imports may signal some slackness in internal demand.

Taking into consideration the relatively unpredictable fluctuations in foreign markets for Austrian raw materials and semi-finished goods, as well as the ever-narrowing sales possibilities for Austrian farm products, the country's export efforts over the coming months will necessarily concentrate on finished goods. Considerable progress in this respect has been achieved in the past. In 1968, exports of finished products went up by 13%, as compared with growth rates of 9% for raw materials and semi-finished goods, and a decline of 11% in food exports. Finished goods now account for almost 60% of total Austrian exports.

Import emphasis shifts

With regard to Austrian import needs, the emphasis is likely to shift from consumer goods, semi-finished products and raw materials—where it had been last year—to finished investment goods such as machinery and industrial production equipment.

There is hope that the prolonged dead spell in Austrian investment activities is ending and that entrepreneurs will now implement previously postponed modernization and rationalization projects. But a hoped-for boost in general demand this summer may not result in substantially larger imports before the latter part of 1969. Food imports, which declined by 4% in 1969, will continue to stagnate in view of substantial local surpluses of grains, dairy products and meat.

Direction changes, too

Under the impact of existing economic blocs in Europe, the direction of Austria's foreign trade is continuing to shift. In absolute terms, trade with the Common Market recorded the most substantial gains in 1968. The importance of this area for the Austrian economy is underlined by the fact that Austrian deliveries to the Community expanded by over $62 million and imports by about $81 million.

Nevertheless, the EEC's share in Austrian exports declined by 0.4 percentage points to 40.3%, and in Austrian imports by 1.1 percentage points to 57.4%. During the same period, corresponding EFTA shares increased by 1.2 points to 23.7% and by 0.1 points to 18.4%.

In their efforts to find new outlets, Austrian exporters have been particularly successful in the Dollar Bloc (United States and Canada), which received almost 24% more Austrian products than the year before. The lion's share, of course, went to the United States.

Whereas Austrian exports in general expanded more strongly than imports, the country's trade with Eastern European countries did not follow the same trend. Apparently some Eastern European countries have profited from the fact that Austria—in order to achieve greater balance in her trade with these countries—has granted them important trade concessions such as MFN treatment and partial import liberalization for goods coming from Bulgaria, Hungary and Romania.

The stagnation of Austrian sales to Eastern Europe is mainly attributable to increased competition by other Western suppliers, to the difficulty in financing long-term credits, and possibly also to a certain reticence by Eastern buyers who want Austria to abandon the present system of bilateral clearing accounts. Also of considerable short-term significance is the very high surplus enjoyed by Austria in its exports to Eastern Europe in 1967, a surplus which necessarily created pressures for reduced purchases by those countries in 1967.

During the past five years, Austria has made great progress in improving her trade position with the United States. In 1964, trade between the two countries showed an Austrian deficit of almost $39 million; in 1968 this had turned into a surplus of about $8.5 million. During these five years, Austria expanded her exports to the U.S. market by 60%, and the U.S. share in total Austrian exports increased from 4% to 4.6%. This favorable development is encouraging Austrians to intensify their efforts in the American market. With an export value of $92 million in 1968, the goal of $115 million set for 1970 does not seem far-fetched.

U.S. exports to Austria show a reverse trend, their share in total Austrian imports having decreased constantly from 5.2% in 1964 to 3.3% in 1968. However, only to a limited extent is this decrease the result of actual shifts from American products to products of competing countries.

Maintain U.S. ties

In the majority of cases, importers have apparently maintained their established business relations with American suppliers, but these suppliers have, for competitive reasons, moved their production plants to Europe or given franchises to European licensees. To mention a couple of recent cases, Clinton engines, previously imported directly from the United States, will as of 1969 be available from Clinton's Dutch licensee. Also, Dow Chemicals is now supplying more of its Austrian customers from its German plant.

In talking to importers and representatives of U.S. firms as well as to visiting U.S. businessmen, the impression is gained that this trend will continue and that U.S. firms will keep on expanding business from their overseas operations, with direct exports from the United States to Europe not rising significantly.

During the first quarter of 1969, the U.S. share in Austrian imports dropped further to 2.7%, but this decrease is mainly due to the dock strike. Now that these strikes have been settled, U.S. deliveries should pick up, particularly if Austrian investment activities revive and the interest in advanced U.S. production equipment continues to grow.

Apart from industrial equipment, there is also an unexploited market in Austria for certain American consumer goods. In this respect the U.S. Embassy has recommended American participation in the next international sporting goods exhibition to be held in Vienna in the spring of 1970.

Another export opportunity which may arise in the not too distant future involves metallurgical coke, a large portion of which is presently imported from Czechoslovakia. In view of present political risks, Austria may wish to include another source of supply when the current contract expires at the end of the year.

Austria's continued interest in American products is also reflected by the number of trade inquiries processed for publication in INTERNATIONAL COMMERCE. Between July 1968 and April 1969, almost 130 such opportunities involving inquiries for a wide variety of products, from cosmetics to special laboratory equipment for textile mills and from lithographic art paper to industrial electronic controls were processed. This compares with 120 in the entire 1967/68 fiscal year.

The best selling chances for U.S. agricultural products lie with oilmeals, tobacco and processed fruit. Hopefully, the discriminatory quotas previously in effect against U.S. poultry should be lifted by the end of June.

Finally, American exporters are coming to appreciate Austria's unique advantages as a gateway to the Eastern European market. Many are using Vienna as a base of operations for expanding into the Communist countries.

As part of the program to improve the country's economic structure, the Austrian Government is currently making great efforts to attract foreign investments in local industry. Although many of these efforts are being stymied by deeply-entrenched local interests, the Government shows every indication of moving ahead vigorously with its new policy. The establishing of new manufacturing plants, joint ventures and the import of technical know-how are all equally welcome. An Investment Advisory Office was recently opened in the Austrian Trade Ministry to assist foreign investors. Also, the Austrian Trade Minister will soon go to the United States to further this investment campaign.

Encourage U.S. help

To counterbalance the strong foothold of German business in Austria, as well as in recognition of America's leadership in advance production techniques and management, the Austrian Government is particularly interested in a higher U.S. participation in Austrian industry. If successful, this policy could generate greater local demand for U.S. products.

In the other direction, the program for encouraging Austrian investment in the United States has been favorably received, although thus far interest has been limited to licensing arrangements. Many leading Austrian manufacturers have responded to licensing inquiries from U.S. firms since the Embassy began to disseminate these inquiries through government agencies, banks and business organizations. A number of these respondents expressed interest in cross-licensing arrangements as well as in straight grants of licenses.

As mentioned earlier, Austrian imports from the Eastern European countries have increased substantially. Due to the bilateral nature of its trade relations with the East, Austria is obliged to import more products from those countries in order to sell more there. In the case of coal, for example, this had a direct adverse effect on Austria's purchases from the United States.

The main competitor of the United States on the Austrian market is West Germany which, during the first quarter of 1969, supplied 40% of Austria's imports. Although subject to the same customs barriers as the United States, West Germany enjoys and fully exploits the privilege of traditional trade links, of geographic proximity, of lower costs, and of the common language.

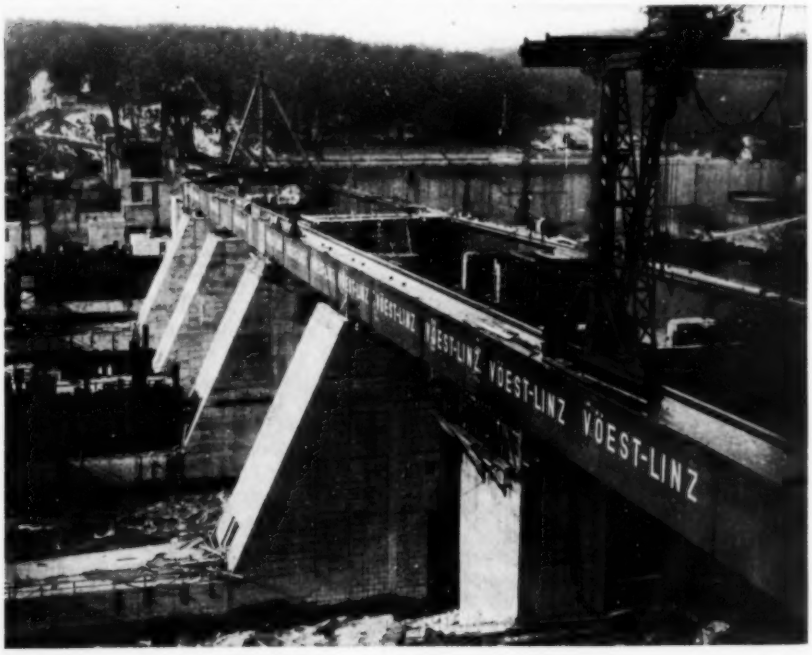
Switzerland, previously the third ranking trade partner of Austria, has been taking full advantage of her EFTA privileges and, in 1968, changed rank with Italy as the second largest supplier of Austria.

Great Britain is now striving for third place and has launched a large market promotion campaign for British goods in Austria which will culminate in British Week in Vienna from Oct. 10-18. This event has been carefully planned; a British Week office was established in Vienna in April 1968 and since then British market development officers reportedly have made over 1,800 sales calls, finding out individual requirements and reporting them back to British firms for follow-up. Reportedly, over 1,000 shops in Vienna have agreed to buy and exhibit British goods during the British Week.

More America Weeks of the sort recently held in Innsbruck are planned, as well as a large-scale Department of Commerce-financed event in Austria's largest department store, and participation in a number of special shows such as the Alpine Exhibit (foods) now planned for Salzburg next autumn, and the earlier-mentioned Sporting Goods show scheduled for Vienna in 1970.

Overall industrial production, which showed a high but shrinking growth rate during the second half of 1968, is now expanding at a lively, although uneven,

AUSTRIAN INDUSTRIAL OUTPUT is expanding at a lively rate, paced by steel mill products and consumer goods. This powerhouse is being built for the Voest steel plant at Linz.



pace. Steel mill products and consumer goods are showing impressive gains. After a period of stagnation, investment goods are also beginning to pick up.

Of some concern are nagging weaknesses in a few areas. The spring pickup this year in the construction industry was slow. This may have been due to the long winter, but it will have to gain momentum soon in order not to retard overall growth. To pump vigor into this important area, the government is moving to ease loans to construction projects. This may help.

Also, domestic consumer demand has been slow for some time. The imposition of special purchasing taxes for cars and alcoholic beverages and the 10% increase of income tax which became effective on Jan. 1 probably contributed to this, as did the decline in producer prices for major farm products.

Price increases, more marked in the fall than earlier in 1968 because of various tax increases, have slowed. Overall consumer price increases amounted to 2.8% in 1968 as compared with 4% in the previous year. The abolishment by the Government of certain price-fixing practices helped in this regard by bringing about relatively large price reductions for certain durable consumer goods such as electrical household appliances, photo articles, and space-heating equipment. Some individual prices, however (such as rents and services), have gone up considerably since last year.

Following the spectacular rise of Western money rates, Austria currently finds itself in the unusual situation of belonging to the few countries with relatively low interest levels. Even after the most recent increase in the West German bank rate to 4%, Austrian monetary authorities rushed to restate their determination to leave the Austrian central bank rate unchanged at the level of 3.75% to which it was lowered in Oct. 1967.

The main reason for sticking to this policy is that Austria's present situation differs considerably from that of those countries which used their discount weapon to curb inflationary pressures. In Austria there are no signs as yet of the economy becoming overheated. On the contrary, it seems to require some modest additional stimulus, if only of a psychological nature.

Agricultural production controls via price-fixing, surplus disposal, farm income protection and improvement of farm structures have priority among the several official farm policy objectives. Legislation has recently been enacted to limit low-priced imports of eggs, poultry meat and starch derivatives.

Growing U.S.-Barbados trade ties reflected in higher import share; island is area distribution center

Imports from U.S. jumped 30% in 1968; favorable outlook for trade and investment should continue for foreseeable future

The favorable factors underpinning the economy of Barbados continued to operate in 1968. In brief, these are a stable, honest Government committed to a market economy, a well developed and maintained infrastructure, an assured market in the United Kingdom at a set price for the major export (sugar), and a rapidly growing tourist industry which provides a major source of dollar (both United States and Canadian) earnings.

A small rise in exports was more than offset by a substantial increase in imports leading to a trade deficit of around $42 million, the largest in history, according to the annual Economic Trends Report from the U.S. Embassy in Bridgetown. The deficit is made up by immigrant remittances, receipts from tourism and re-exports (chiefly petroleum products).

While the United Kingdom retains its position as the number one supplier of Barbados' imports, the United States' share of this market continues to grow. Imports from the United States increased by 10% in 1967 and by almost 30% in 1968.

To illustrate in another way the trend toward a growing U.S. share of this market, in 1962 imports from the United States were less than one-half of imports from the United Kingdom, and in 1967 imports from the United States were 70% of imports from the United Kingdom.

Sales of U.S. goods are penalized by the tariff system which gives a lower rate of duty to imports from Commonwealth countries. Nevertheless the import figures speak for themselves. U.S. goods are being sold in this market despite the tariff, probably because of such factors as increased sales promotion, personal visits, international reputation, and better service.

The current favorable conditions for U.S. trade and investment seem likely to continue for the foreseeable future. The political opposition appears no less favorably disposed toward U.S. interests than the present government.

Barbados' membership in the Organization of American States (OAS) and Inter-American Development Bank (IDB) offers a new source of technical and financial assistance. Private industry is not opposed to U.S. investment in the island, and traders have a growing number of contacts with the United States.

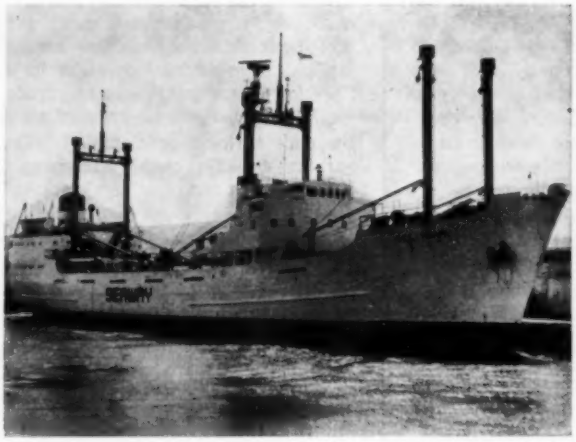
Tax and import concessions plus a good supply of untrained but trainable labor are attracting a growing number of foreign investors to Barbados, many of whom are Americans. Two basic acts, the Industrial Incentives Act of 1963 and the Industrial Development (Export Industries) Act of 1963 establish the incentives and regulations for foreign investors.

Under the first, which applies to companies producing for the local market, taxes on profits are waived for ten years, duty free entry for production equipment is permitted, and the company registration fee need not be paid.

The Export Act provides similar incentives for firms producing for export—with

More attractive

Two factors make the Barbadian market more attractive than the small population (250,000 people) and low per capita income (around $370) would suggest. The first is the impact of tourist spending for lodging, food, clothes, and entertainment. Tourist arrivals in 1968 equaled almost 75% of the population; while they stay a relatively short time, their buying power is far higher than the average Barbadian's. The second factor is that Barbados serves as an entrepot for many of the goods sold in the Leeward and Windward Islands. A number of local firms either have branches in or send salesmen to the smaller islands.



BARBADOS WAS A PORT OF CALL for the First Florida Seafair, a floating exhibit of Florida products which recently visited 13 East Caribbean markets, French Guiana and Surinam. At left, the exhibit ship, and at right, an exhibitor explaining his product to a businessman.

Floating Florida exhibit hunts Caribbean markets

The initial voyage of the First Florida Seafair, a floating exhibit of Florida products was successfully completed after visiting ports in the Eastern Caribbean, French Guiana and Surinam from April 6 to May 3. The amount of business done by the Seafair exceeded expectations and future business generated for the exhibitors and for Florida manufacturers in general is expected to be considerable.

The immediate results of the Seafair included more than $500,000 in business concluded by exhibitors with excellent possibilities reported for doubling that figure in future business over the next 12 months. Several exhibitors arranged for local representation and distributorships and one exhibitor advanced conversations toward a direct investment in a local business. Additionally, many trade opportunities were developed for export of Florida products not included in the Seafair exhibit.

Representative comments by exhibitors included:

J. S. Craig of Butler International—"We did extremly well in developing business on this first trip and will be going on all three voyages. I think the Seafair idea of promotion of sales is terrific."

Glenn Friedly of Snowbird Refrigeration—"Some of the salesmen on the jaunt took sizeable orders, and all of us worked up a good prospect list for the future. It was a good deal for us to begin doing business in that area."

George Alberts of George I. Alberts Advertising—"I did much more business than expected and I definitely want to go again next year."

Murray Lipinsky of Atlantic Equipment Co.—"When I returned from the Seafair voyage, I found a whole bag of mail—with orders—awaiting me from the ports visited on the first part of the voyage."

Annette Hyder of Export Shipping Services—"The trip was certainly a very worthwhile experience and I am contacting many of my clients recommending their participation in future trips."

Business interests in the host ports were equally enthusiastic:

Barbados—"Although we have been closely allied commercially with the Commonwealth countries and are now building our own local industry, we welcome this method of bringing Florida products to our attention and hope that important two-way trade can be developed."

Guadeloupe—"It was an interesting and well-attended exposition, and we must congratulate all the promoters of this type of interchange which permits us to come out of, even for a moment, our splendid isolation."

French Guiana—"How pleasant to see that Florida has discovered us after Europe has neglected us for so long. We believe important and lasting trade relations between Florida and the Guianas can be developed and this Seafair is an excellent beginning."

St. Lucia—"The timely visit of the Seafair to the State of St. Lucia, at a time when much emphasis is being placed on rapid economic growth, is deeply appreciated. Such exchanges go a long way to open up the avenues for better commercial and industrial relations."

Dominica—"It was a great pleasure to go aboard the m/v Sea Hawk and visit the First Florida Seafair. The exhibits were very good, and I hope this movement will serve to strengthen and increase the trade relations between our two countries."

The Seafair visited Barbados, St. Thomas, St. Croix, Puerto Rico, St. Maarten, St. Kitts, Antigua, Guadeloupe, Monserrat, Dominica, Martinique, St. Lucia, Grenada and Trinidad, French Guiana and Surinam.

Participating exhibitors in the Seafair included: Aluminum Finishing Corp. of Opa-Locka; Butler International, West Palm Beach; Atlantic Equipment Co., Miami; Export Shipping Services, Miami; Alinex Corp., Coral Gables; Invex, Inc., North Miami; George I. Alberts Advertising, Hialeah; Snowbird Refrigeration Co., Pompano Beach; Seaway Lines, and the Florida Development Commission.

More than 2,000 persons representing the local governments, business interests and publicity media, visited the Seafair exhibit. The exhibit was not open to the general public.

The second and third Seafair voyages are already scheduled to take place in coming months.

certain exceptions such firms cannot sell in the local market.

Finally, the Barbados Development Bank, a government corporation, can make loans to investors, but U.S. investors have not used this facility yet.

Most U.S. investors have made their investments under the Export Act; in fact, all investment to date under this Act has been by U.S. interests, although Canadian interests are currently negotiating to establish a plant to manufacture sporting goods.

U.S.-owned export industries in Barbados typically import their raw materials or subassemblies, assemble the finished product and re-export it to the United States. Their products include electronic components, jewelry findings, smocking, lingerie, pharmaceuticals, and memory cores for computers.

Within the past 12 months two new American-owned export industries have been established. The Barbados Development Board is currently negotiating with ten other United States firms. One American firm is the largest industrial employer on the island.

Four U.S.-owned firms produce for the local market. These are typically small producers of consumer goods such as porch furniture, shoes, and sanitary napkins.

In addition to the tax and customs incentives, which are found in comparable form in most underdeveloped nations, Barbados offers a good supply of low-cost workers. These must be trained by the industry, as technical training is not yet well developed although attempts are being made to improve it.

Wages are low: a recent survey by the Barbados Labor Union indicates that 12,000 of its members earn $10-$15 per week; 8,000 earn $15-$20 per week, and 5,000 earn over $20 per week. Productivity is also low initially, but all firms have found it can be improved with training.

Satisfactory record

For at least the next five years Barbados appears to be an excellent place to locate small plants using labor intensive methods to assemble goods for export. Thereafter if enough such investment is made, the current labor glut could turn into a labor shortage. The satisfactory experience of present U.S. investors suggests that newcomers could so as well. A plant with around 500 production employees seems optimum in view of internal transportation bottlenecks for workers and the shortage of middle management personnel.

The U.S. Embassy in Bridgetown doubts that imports from the United States will continue to increase at the current 30% rate, but they will continue at a good rate depending chiefly on the degree of interest shown by U.S. traders.

Since virtually everything is imported into Barbados, it is difficult to enumerate individual products that would offer most promise for United States exports. The one negative exception, motor cars manufactured in the United States, are so heavily penalized under Commonwealth preference as to be virtually unsellable.

The Caribbean Free Trade Area (CARIFTA), of which Barbados is a member, has enlarged the market for locally produced goods, but it is too early to estimate its impact precisely. To date Barbadian industrialists have expressed general satisfaction with the way CARIFTA is working.

Two American banks have recently begun operations in Barbados, and an American finance company has taken over an 80% interest in a local finance company from British stockholders. These moves indicate growing U.S. banking interest in Barbados and break the traditional British and Canadian domination in Barbadian banking.

Light industry to produce for the domestic market and export continues to expand, although it is still only a small part of the local economy. There are now 60 foreign-owned plants in Barbados established under the programs of the Barbados Development Board, 13 of them American. Export industries enjoy tax and import privileges for a ten-year period.

The so-called pioneer industries designed to produce for the local market, which are granted similar tax and import privileges, are also increasing but have attracted less foreign capital, and few American investments have been made.

Studies are under way to prepare new draft companies and insurance laws. The drafting committee for the companies' law has been directed to make its study "bearing in mind the need to attract and retain foreign investment and maintain the pace of local development." The insurance act will probably attempt to force insurance companies to increase the amount of their local investment, which is currently low. Neither act is expected to be anti-business nor inequitable.

Sometime within the past year earnings from tourism exceeded earnings from exports of sugar and its by-products (rum and molasses), which were formerly Barbados' chief source of foreign exchange. Moreover, tourist payments come largely from the North American dollar area whereas most of the sugar exports are paid for in sterling under the Commonwealth Sugar Agreement.

It seems likely that tourism will continue to grow and that the sugar industry will continue at the level it has maintained over recent years at least for the short term. Barbados has been unable to stabilize sugar production at the target level of 175,000 tons; indeed for the past two years the crop has been so short due to a combination of poor weather and cane fires that the country has not been able to ship its share of the United States quota.

Equally disappointing have been the attempts to diversify agricultural production into foods that would take the place of the substantial imports mainly from the United Kingdom and the United States. Despite lack of progress, the Government is committed to a policy of stabilizing the sugar crop and crop diversification.

Were it not for the growing tourism receipts, Barbados would be in economic difficulties. During the winter season hotels usually are fully booked one year in advance. Since this has been true for a number of years, the growth of off-season tourism is more significant. Last year 60% of tourist accommodations were filled during the off season. This is a substantial increase from previous years, and the trend is likely to continue.

At the same time, established hotels are being enlarged and new hotels are being built. Currently there are 1,800 hotel rooms in Barbados, and a recent study on tourism identifies the need for an additional 1,800 rooms by 1972. One new large hotel has opened in 1969, built by a Canadian subsidiary of a U.S. firm, and there are rumors of at least three other major hotels to be built soon, but no ground has yet been broken on these.

Funds guaranteed

Through a Sterling Guarantee Agreement concluded with the United Kingdom during the past year, the U.S. dollar value of Barbadian Government funds held in the United Kingdom were guaranteed against devaluation.

While useful to the government, the agreement does not guarantee the deposits of commercial banks held in the United Kingdom. Nor does it prevent a change in value of East Caribbean currency in terms of United States dollars in the event of a future devaluation of Sterling.

Spain in new expansion

U.S. remains leading import supplier and most important buyer of exports

After a two-year period of slow growth and declining investment, the Spanish economy now appears to have entered a new phase of expansion, according to the semiannual Economic Trends Report from the U.S. Embassy in Madrid.

Incomplete statistical data for the final months of 1968 and the beginning of 1969 indicate a pronounced upswing in the level of general economic activity.

In addition, business confidence is now at a notably higher level throughout the country than at any time for the past two years. There has also been a change in attitudes in official economic circles, which are no longer preoccupied with the dangers of stagnation but rather with the need to avoid an overly exuberant expansion of the economy.

In the light of the current expansion of the Spanish economy and the concurrent surge in demand for imports, U.S. trade prospects are brighter than at any time during the past two years. Assuming that the expansion will continue through 1969, there will be increased opportunities for sales of U.S. goods. In particular, the recovery of private investment from its protracted slump should touch off an increased demand for a wide range of capital goods—already the largest category of U.S. sales in Spain.

The newly inaugurated Second Development Plan, with its $7.8 billion public investment program, will generate major business opportunities for U.S. firms. Large-scale public projects in road-building, water development, and agriculture will require major inputs of foreign materials and technical assistance. U.S. firms should be in a good position to capture a major portion of this business.

Balance of payments surplus

On the basis of the preliminary estimates, Spain appears to have recorded a small balance of payments surplus in 1968—the first such surplus since 1964. However, the balance of payments outlook for 1969 is somewhat ominous. A reduction of Spain's chronically large trade deficit by $166.7 million from the level of 1967 was an important factor in last year's small surplus in the over-all international balance.

With stimulation from the devaluation, official efforts to encourage exports, and the slackness of domestic demand which forced Spanish producers to look for new foreign markets, exports grew by about 15% in 1968. Economic officials were particularly pleased by the even more rapid growth of manufactured exports which increased by about 25% over 1967.

Of equal importance in the improvement of the 1968 trade balance was the continued low level of import demand during much of the year. This virtual repeat of the 1967 import levels was attributable largely to the slump in economic activity and particularly to the continued decline of domestic investment in capital equipment during most of the year.

Good U.S. showing

Considering the two-year stagnation in the growth of Spain's imports, the recent U.S. export performance in this country has been relatively satisfactory. In 1968, the United States managed to increase slightly its imports to Spain, while the sales of Spain's other major trading partners in Western Europe were falling. The United States continues to be both Spain's most important export market and largest single source of imports.

In contrast, it now appears probable that rising imports sparked by the current expansion of the economy could reverse the 1967-68 improvement in the trade balance. Imports for the fourth quarter of 1968, for example, were up by about 16% over the same period of 1967. A recent change in import licensing procedures has distorted trade figures for the first months of 1969, but there is every indication that import demand has continued to rise sharply over last year's levels.

Spain's exports should continue their steady upward trend of the past few years. The large capital investment of recent years has made certain of Spain's manufactured products more competitive in world markets, especially ships, shoes, certain types of communications equipment, and typewriters.

However, the gradual erosion of the price gains from devaluation and the generally less optimistic forecasts for the growth of international trade in 1969 may make it difficult to repeat the 14.8% growth rate of 1968. In any case, since imports are still more than double exports, the rate of export growth would have to be more than twice that of imports merely to keep the trade deficit at the 1968 level.

The outlook for the other major elements of the current account—tourism and emigrant remittances—is difficult to judge. French exchange control measures could bite heavily into Spain's tourism earnings. During the past few years, there has been a slight decline in the number of Spaniards working in other European countries, and the level of emigrant remittances in 1969 appears likely to continue the slightly downward trend reported for last year.

Foreign investment wanted

In a recent speech before the American Chamber of Commerce in Madrid, Spain's Minister of Industry Gregorio Lopez Bravo reemphasized the important role of foreign investment, particularly U.S. investment, in Spain's drive for economic modernization and growth. The Minister pointed out that Spain simply cannot afford to develop for itself the advanced technology and management techniques so essential to the development of a modern industry and as a consequence must acquire these through foreign investment.

At the same time, however, the Minister emphasized the Government's determination to control the terms and conditions under which foreign capital enters Spain, to ensure that it is used in the manner most compatible with Spain's economic interests.

In this regard there have been some recent expressions of public concern that Spain may not be receiving the full benefits due it from the presence of foreign capital. For example, there has been criticism of the absence of any significant in-country research activities by foreign firms active in the Spanish chemical industry.

Because there is no available data on the countries of origin of realized foreign investment in Spain, it is difficult to gauge

the present trend of U.S. investment here. The only country of origin figures published by the Government are those for authorized foreign investments (those involving at least a 50% participation in Spanish firms), and these showed a substantial decline in authorized investments by U.S. firms in 1968.

However, because of the time lag between authorization and realization of foreign investment projects, these figures provide little or no measure of the actual flow of U.S. investment into Spain in 1968. Nor do they provide a very useful guide to the probable flow of U.S. investment in 1969 and beyond, since they do not include investment projects of less than majority participation. These can sometimes involve considerable amounts of foreign capital—the outstanding example being Gulf Oil's projected expenditure in Spain of more than $100 million in foreign exchange in connection with its 40% interest in the Bilbao refinery project.

The year 1968 began in the aftermath of the devaluation of the peseta in November 1967 and the Government's adoption of a long overdue austerity program, which included a freeze of wages and prices and incentives to private investment. These measures were aimed at restoring equilibrium to an economy which was badly strained by several years of too-rapid and unbalanced growth.

Thus, the Government had two sets of economic objectives in 1968: to reduce price inflation and bring the balance of payments out of its deficit cycle; and to force a more frugal allocation of resources.

The first of the objectives was achieved; there was a substantial reduction in the rate of price inflation in the economy and an encouraging improvement in the balance of payments. The second objective was only partially realized; private investment increased only slightly, if at all, in 1968, and increased public investment was probably largely responsible for any increase in gross asset formation which might have occurred.

The public sector, which had been a strong contributor to the rapid rise of consumption in preceding years, was able to impose only limited austerity on its own current expenditures as these rose by some 9.7% over 1967. There is not yet any official information on private consumption in 1968, but its rate of increase was clearly less than the 12.8% of 1967.

Major expansionary force

The export gains from the devaluation were not of the magnitude that some officials had predicted, but they have been nonetheless substantial. Spain's exports of goods and services rose by approximately 35% in peseta terms in 1968 and have constituted a major expansionary force in the domestic economy.

Farmers also enjoyed an excellent year in 1968 with early estimates showing a 5.3% increase in output in real terms. Public expenditures rose by about 11% and will continue to play a major expansionary role in 1969. This year's central government budget projects a 12% increase in current expenditures over 1968 and an exceptionally large 18% rise in investment spending. Autonomous public agencies will continue to have an expansionary impact on the economy.

Last year also saw a gradual recovery of industrial production—a recovery which became pronounced by the end of the year and which is continuing. For example, the steel, cement, and automobile industries all enjoyed good years with their respective output rising by more than 10%. A recovery of demand in the metal products industry is well under way, and various other industries also reported increases in domestic orders in late 1968 and early 1969.

This broad-based expansion of industrial activity was definitely gaining momentum during the first quarter of 1969, and there is every indication that a vigorous expansion will continue through the next several months. The Ministry of Industry's most recent monthly surveys of activity in the industrial sector confirm a definite upward tendency in production and orders.

Spanish data on industrial inventories is particularly inadequate, but there is some indication that these have declined at least moderately from the high levels of mid-1968.

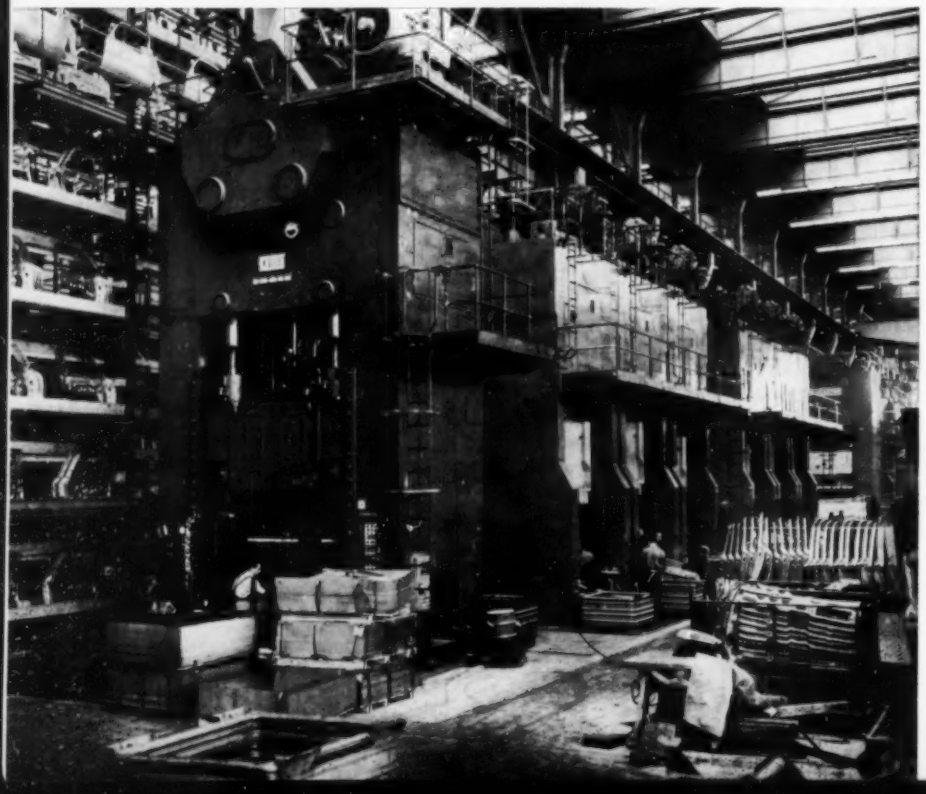
As industrial output is increasing, there are already reports of a slight rise in employment and in wage payments for overtime. These boosts to private disposable income could become substantial as the expansion of output continues and will be a further element of expansion in 1969.

The slowness with which private investment responded to official efforts to

Recession appears over

It is still too early to judge Spain's over-all economic results of 1968 in detail. But it is clear that the recession, which had begun in 1967 and extended into the first half of 1968, ended in mid-year. By early fall, a sustained economic expansion began to gain momentum. Preliminary data indicate that GNP grew by about 4.5% in real terms in 1968 (a moderate improvement over the 3.5% of 1967), with nearly all of this growth occurring in the final months of the year.

SPANISH ECONOMIC EXPANSION has boosted demand for imports from the United States. The capital goods field is particularly promising. Here, U.S. equipment turns out auto parts in a Spanish plant.



stimulate its expansion was one of the major economic disappointments of 1968. The Ministry of Industry reported that industrial investment rose by less than 2% in real terms in 1968, although with a reported decline during the first six months of the year there was clearly a strong upward trend in the final two quarters with an improvement in business confidence.

The expansion of demand in many industries and the gradual shrinking of unused capacity have caused many domestic investors to undertake previously deferred expansion plans. The current upward tendency of orders for domestically manufactured capital equipment plus the increase in imports of capital goods noted in late 1968 and the first months of this year confirm that private investment is finally recovering from its pronounced slump of the past two years.

Concern on recovery rate

However, there is a serious concern that as the current recovery gains force, it could, unless properly controlled, bring with it a recurrence of the price inflation and balance of payments difficulties which marred Spain's last period of rapid growth in 1962-66.

Despite this danger, the Government has obviously decided that it cannot afford to settle for a policy of slower economic growth.

The 1969 outlook for long-term foreign capital inflows may be somewhat more optimistic than that for the current account. Preliminary information on the performance of the capital account in 1968 indicates that a substantial increase in public borrowings more than compensated for a slight decline in foreign private direct investment.

In view of the current recovery of private domestic investment, there may be reason to hope for a reversal of last year's decline in foreign private direct investment.

Another source of balance of payments concern comes from the threat of further international financial turbulence in 1969. The last three international financial crises: November 1967, March 1968, and November 1968, have shown Spain to be vulnerable to losses of short-term capital during periods of international speculation, despite Spanish exchange control mechanisms.

In March, after a one-year delay, the Government finally inaugurated its Second Economic and Social Development Plan for the period through 1971. In comparison to the 6% annual GNP growth target of the first Plan (a target which was exceeded by a wide margin in every year except 1967) the Second Plan fixes a slightly lower annual growth target of 5.5%.

MODERN U.S. EQUIPMENT is winning increasing acceptance throughout Spain. Above, Harold F. Werhane, president of Culligan, Inc. of Northbrook, Ill. poses with 300 water purifiers bound for Barcelona.

Perhaps the most immediate problem confronting the Spanish Government is the need to exercise control over the extremely high liquidity of the financial sector. The OECD and Spanish experts have voiced concern that this liquidity could fuel a dangerous increase in consumption. In an effort to drain off some of this liquidity and to slow the expansion of credit, the Ministry of Finance sold 8,000 million pesetas in short-term transferable notes on the private market in March.

Possible interest rise

A further issuance of short-term public debt is possible, but many local experts believe that the situation may also require an upward revision of Spain's official interest rate structure. Not only would the modification of official rates appear to be a useful measure in terms of domestic objectives, but it could also have a salutary impact on the balance of payments, particularly in the light of the current trend of interest rates in other countries.

One of the key elements in the Administration's attempt to ensure that the current expansion does not strain available resources is its effort to restrain wage and price increases. For this task the Government is again relying on direct controls, although somewhat more flexibly than in 1968.

For 1969, the Government has announced it will permit price increases of up to 2% upon specific official approval.

Netherlands contributes $1.1 million to Asian Bank for special agricultural fund

The Asian Development Bank has accepted the Royal Netherlands Government's offer of the equivalent of $1.1 million for the Consolidated Special Funds of the Bank.

The contribution will be allocated to the Agricultural Special Fund, to be used mainly in Southeast Asia for concessional lending.

Under the agreement, the Netherlands contribution will be untied as far as procurement from developing member countries is concerned. As to the developed members of the Bank, the contribution may only be used for procurement in such countries as have made contributions to similar Special Funds on procurement conditions no less liberal than that of the Netherlands.

The assistance extended by the Netherlands represents the third capital contribution to the Agricultural Special Fund, the first being $20 million contribution by Japan and the second being a $2 million contribution by Denmark.

The Bank has also received from Canada a $25 million contribution (over five years) to its Multi-Purpose Special Fund.

Contributions to the Bank's Technical Assistance Special Fund have come from the governments of the United States, the United Kingdom, Japan, Germany, Canada, Denmark and Finland.

Portugal in modest upturn, but economy has still not recovered from 1966 slump; U.S. sales down

Lack of industrial investment is a major concern, but most businessmen expect new Government's policies to foster growth

During the past two years there has been a gradual improvement in economic activity in Portugal, but businessmen still don't feel that the economy has recovered completely from the slowdown which began in mid-1966. This is the verdict of the semiannual Economic Trends Report from the U.S. Embassy in Lisbon.

Preliminary official figures show a growth rate in GNP of about 7.8% for 1967. No official estimates for 1968 are yet available, but Portuguese economists believe that the growth rate will work out at between 5 and 6%.

According to preliminary data total imports declined by about 2% in 1968 (compared with an increase of 3.6% in 1967), because of the less buoyant demand for capital equipment and raw materials due to the slack in private investment, and because of reduced purchases of certain foodstuffs.

Commodities for which there was the greatest decline in imports were codfish, meat, wheat, peanuts, sugar, plastic material, diamonds, iron and steel, non-electric machinery, and aircraft and aircraft parts.

The greatest increases in imports were for corn, leaf tobacco, raw cotton, synthetic and artificial textile fibers, electric machinery, television sets, automobiles, and trucks.

U.S. exports fell

U.S. exports to Portugal were down last year due to a combination of the slack demand for capital equipment for plant modernization and expansion and the good weather conditions for domestic agriculture. Imports from the United States declined by $6.2 million (8.5%) and, as a result, the United States fell from third to fourth position as a supplier of goods to Portugal, after West Germany, the United Kingdom, and France.

From incomplete data, the main losses seem to have been in sales of wheat (down $4.4 million), aircraft and aircraft parts (down by nearly $2 million), and most pharmaceuticals. There were also smaller declines in many types of machinery, particularly motors and pumps.

There were, nevertheless, good increases in the sale of raw cotton, oil cake, leaf tobacco, corn, inedible tallow, raw iron and semi-manufactures thereof, some plastics and plastic material, and statistical machines.

Prospects for the sale of agricultural commodities are good this year, particularly of wheat and animal feeds. Cotton sales may also hold up well despite the financial difficulties of many Portuguese textile firms. On the other hand, the outlook for sales of industrial equipment appears less promising in view of the paucity of investment plans that are likely to materialize this year.

Most of the measures being developed by the new Government to foster economic growth will take some time to implement, and few businessmen expect their effect to be felt significantly this year. They are, moreover, geared primarily to stimulate exports in order to lessen the country's large trade deficit.

The outlook for 1969 is clouded by prospects for a bad year for winter cereal crops due to heavy rains and floods during the first quarter, by the general feeling among businessmen that Portuguese exports are likely to suffer during 1969, by the apparent leveling-off of tourism, and by the lack of any indication thus far that investment has revived.

Portuguese businessmen are generally pessimistic regarding exports during 1969. They note that total trade of OECD countries is expected to expand at a reduced rate this year, and they believe that Portuguese exports are likely to suffer particularly from the British import-deposit scheme and from deflationary measures being adopted by some of Portugal's more important trading partners. Indeed, during the first two months of this year, exports to the United Kingdom decreased by 16.8% compared with the same period of 1968, and exports to the United States declined by 26.9%.

Bank credit eased

The Government has recently implemented a decision of a year ago authorizing commercial banks to extend credits up to five years. While welcomed as a move to remove one of the main hindrances to private investment, bankers note that modifications will have to be made in the interest rate structure to make longer-term loans more attractive.

Other governmental decisions welcomed by the business community were the reorganization of the national savings bank into a public corporation and the announcement of the establishment of an export credit insurance company with an initial capital of 100 million escudos ($3.5 million), of which 60% is to be provided by the Government and 40% by insurance companies, credit institutions, and other Portuguese enterprises. The guarantee given by the new company will be up to 85% of the value of the goods and services exported, and political risks will be covered by the Government.

Other welcome moves on the part of the new Government have been the establishment of selective rediscount rates which favor credits granted for exports, and a measure which provides for the conversion of short-term debts contracted with commercial banks by textile firms into medium- and long-term credits.

Industrial production, which fell off more or less steadily in the latter half of

Long run outlook

In the longer run, Portugal offers a good market for U.S. products, particularly industrial machinery and equipment. Manufacturing is the fastest growing sector of the Portuguese economy, and equipment for its modernization and expansion will be increasingly in demand.

Although Portugal is small, as a member of EFTA its industry has the opportunity to produce for a market of 100 million people, and it is only beginning to realize the benefits of economies of scale. In addition, American products are highly regarded; and, as incomes rise, the demand for a wide range of consumer goods should expand greatly.

1966 and throughout 1967, showed moderate improvement during 1968 although the rate of recovery was less during the latter half of the year.

Production increases were greatest in the woodpulp industry (up 37% compared with 1967) and in the fabrication of laminated steel (up 15% as a result of expansion of Portugal's only integrated steel mill). Lesser gains were registered in the production of most types of cotton textiles, tires, and chemical fertilizers, while production of cork and cork products, processed rice, flour, petroleum products, and canned fish all declined, the last by 31%, mostly as a result of poor sardine catches.

Some industries stagnate

Despite the improvements in many industries, businessmen continue to note that recovery has not been good in the metal machinery industries, that construction and the manufacture of construction materials other than cement have fallen off, and that some cotton textile firms are reportedly in a precarious financial position, with one large mill employing 1,700 having closed down during 1968.

The economy was favored with another good year for most agricultural crops in 1968. Good weather resulted in a bumper wheat crop (harvests up 25% over 1967, which was also a good year) and somewhat improved harvests of rice, rye and barley. Grapes harvested, while not of particularly good quality, made possible a volume of Portuguese wine production, which was 12% higher than during 1967.

Farm income was generally up during 1968; and since approximately one-third of the Portuguese work force is engaged in agriculture, the improved conditions contributed greatly to the maintenance of domestic demand.

As a result of the increase in consumer demand, business activity in general picked up during 1968. Nearly all of the larger firms reported that sales were up, collections satisfactory, and profits good; and this is borne out by published financial statements.

Despite some improvements in the Portuguese economy, a fall-off in the growth of exports, a leveling-off in receipts from tourism, and a slump in new investment, both public and private, hampered the nation's economic expansion during 1968.

Foreign demand for Portuguese products was adversely affected by the international monetary crises during 1968 and by trade restrictions introduced by some countries in the last months of the year.

Concern over investment

The major concern continues to be the slump in investment to expand productive capacity. The only large projects known to be planned for this year are a Lisbon port development scheme, reorganization of the national railway system, extension of the Libson subway, and expansion of Estaleiros Navais de Lisboa (LISNAVE), Lisbon's large modern drydock complex. None of these projects, however, is yet underway.

Nevertheless, there is a feeling among businessmen that the new Government under Prime Minister Caetano will pursue policies designed to achieve a higher rate of economic growth and bring Portugal more into line with its western neighbors. Recent cabinet appointments, which included many young, expansionist-minded economic technicians, have been particularly well received.

Total exports increased by a mere 4.4%, compared with 13.2% in 1967 and 7.5% in 1966. Exports to the United Kingdom (by far Portugal's most important customer) actually declined by 2.5%, and sales to Italy, Holland, Spain, Japan, and Canada were also down. There were significant increases in exports only to Sweden (up 18.3%), West Germany (up 14.6%), the United States (up 11.6%), and Norway (up 11.2%).

Setback for tourism

Tourism has increased rapidly in recent years (the number of foreign travelers entering the country doubled in 1965) and has become one of Portugal's most important sources of foreign exchange. During 1968, however, the number of foreign travelers entering the country actually declined slightly, and according to preliminary figures tourist expenditures declined by approximately $56 million, although they still totaled about $201 million.

Nevertheless, earnings from tourism together with emigrant remittances were sufficient to compensate for a trade deficit of $302.8 million, and together with the influx of other invisibles allowed for a 10.5% increase of gold and foreign exchange reserves to $1,364.9 million by the end of 1968. The investment climate remains weak. Bankers state that firms have been running down stocks and that most manufacturing industries are operating far below full capacity. Consequently, the number of authorizations requested from the Directorate General of Industrial Services for the establishment of new industrial units decreased from 126 in 1967 to only 98 last year, and during 1968 only 32 companies announced increases in their capital. The only major private investment projects now under way are a three-year, $52.5 million expansion program at the Seixal steel mill of Siderugia Nacional, the continuation of construction on the new oil refinery in Oporto, and the work being carried out on the Hidro-Electrica do Douro and Hidro-Electrica do Cavado complexes in northern Portugal.

A year ago, there was great hope that the public investment called for in the Third Development Plan (1968-73) would provide the stimulus for rapid economic expansion. According to the 1968 budget, extraordinary public investments considered to be part of the Plan were expected to amount to approximately $100 million. While no official data are yet available, actually realized public development expenditures during the year are believed to have been less than half that amount.

Inflationary pressures grow

Inflationary pressures have grown in the past year, even though the economy continued to operate at far below full capacity, investment lagged, and the Government pursued deflationary monetary and fiscal policies. The average monthly index of consumer prices in the capital city of Lisbon (which tends to understate the true situation) rose by 6.1% during 1968.

Increases in Oporto, Portugal's second major city, were even more marked. Although the Government is concerned with the inflationary trend to the extent that it was the subject of Prime Minister Caetano's first nationwide television address after assuming office and resulted in a widely-publicized, although brief, Government campaign against speculation by retailers, prices have continued to rise this year.

The causes of the persistent price increase seem to be a combination of demand-pull, resulting from increasing incomes, tourist expenditures, emigrant remittances, and difficulties in food supply and distribution, and cost-push, resulting from long-delayed wage increases, the rising cost of materials and components, and the 7% transaction tax introduced at the end of 1966. Increasing salaries are certainly an important factor in the inflationary situation.

Libya's new development plan has high sales potential for U.S. suppliers; summaries available

U.S. Embassy in Tripoli has already submitted 14 separate airgrams giving details of Plan; further reports expected

Libya's recently-published 1969-74 Development Plan offers high sales potential for U.S. suppliers of varied products, and American firms can obtain free translations of sections dealing with specific industries or economic areas.

Libya's new Five Year Development Plan, covering the period Apr. 1, 1969 to Mar. 31, 1974, was approved by the Libyan Parliament on Mar. 26 and promulgated by Royal Decree on the following day. Sections of the plan which are of particular pertinence to U.S. businessmen have been translated by the U.S. Embassy in Tripoli and submitted as separate airgram reports.

Free copies of the airgrams and other pertinent studies prepared by the Embassy are available to business organizations in the United States through the Commerce Department's *Foreign Production and Commercial Reports* service. Requests for copies should be submitted on letterhead stationery to: U.S. Department of Commerce, BIC/924, Washington, D.C. 20230. The titles of the airgrams date of transmission, and their identifying numbers are listed below.

Future listings

Any reports concerning the Libyan Five Year Development Plan submitted by the Embassy in the future will be listed in the monthly *Index to Foreign Production and Commercial Reports.*

DIB 69-06-007 Libyan **Budgets** for 1969/70, 2/25/69, A-46; DIB 69-06-008 The Libyan **Five Year Plan** 1969 through 1974, 4/4/69, A-77; DIB 69-06-009 Libyan Five Year Development Plan 1969/74: **Public Health Services,** 4/21/69, A-96; DIB 69-06-010 Libyan Five Year Plan 1969/74: **Education,** 4/23/69, A-100; DIB 69-06-011 Libyan Five Year Plan 1969/74: **Industries,** 4/25/69, A-106; DIB 69-06-012 Libyan Five Year Plan 1969/74: **Municipalities,** 4/28/69, A-107; DIB 69-06-013 Libyan Five Year Plan 1969/74: **Housing,** 5/5/69, A-112; DIB 69-06-014 Market for **Telecommunication** Equipment, 4/18/69, A-94; DIB 69-06-015 Inauguration of the Libya/Italy **Submarine Cable,** 2/20/69, A-39; DIB 69-06-016 Market Report: **Food Processing** Equipment and Supplies, 7/1/68, A-401; DIB 69-06-017 Market Report: **Agricultural** Equipment and Machinery, 6/28/68, A-399; DIB 69-06-018 Market Report: **Educational** Equipment, 6/24/68, A-396; DIB 69-06-019 Market Report: **Hospital and Medical Equipment,** 6/21/69, A-395; DIB 69-06-020 Baida Developments: Five Year 1969/74 **Development Funds** for Baida estimated at more than $100 million, 3/10/69, A-58.

Future Construction: Items on Libya's future construction projects of interest to equipment suppliers and construction firms are published in the World Trade Opportunities section of INTERNATIONAL COMMERCE under the heading, *Future Construction.*

The following publications may also be of interest:

Trade List: *Business Firms—Libya* Aug. 1968, 46pp, $1. Listing of importers, distributors, agents, service organizations and manufacturers. Available from: U.S. Department of Commerce, Bureau of International Commerce, Commercial Intelligence Division, Washington, D.C. 20230, or from the nearest Dept. of Commerce Field Office.

Overseas Business Reports: *Foreign Trade Regulations of the Kingdom of Libya,* OBR 65-29, May 1965, 15 cents; *Establishing a Business in Libya,* OBR 68-56, July 1968, 15 cents, and *Market Factors in Libya,* OBR 68-80, Sept. 1968, 15 cents.

Country Market Survey: *Libya: A Market for U.S. Products,* 65pp, 1962, 50 cents.

Foreign Economic Trends: ET 69-47, Apr. 1969, 10 cents.

These reports can be obtained by writing to: U.S. Department of Commerce, Sales & Distribution Branch, Washington, D.C. 20230, or any Dept. of Commerce Field Office. Checks, in all cases, should be made payable to Superintendent of Documents, GPO.

Japan liberalizes imports of 6 items

Quotas removed on bourbon, pet foods, movie film, glass, outboards

Japanese import quota restrictions on the following items were removed effective Apr. 1, according to an announcement by the Ministry of International Trade and Industry: (1) bottled bourbon whiskey; (2) color movie film (35mm. or larger); (3) outboard motors, 10-20 hp.; (4) some compound feeds (pet foods); (5) polished sheet glass; (6) boiled intestines, bladders, and stomachs of animals.

The bourbon whiskey item which is now freely importable is bourbon of an alcoholic strength less than 50% (less than 100 American proof), in cointainers of less than two liters. All other bourbon whiskeys (those in bulk for local bottling or blending) are still on the Import Quota (IQ) or non-liberalized list of items which require Ministry approval for import.

The pet food item which is now freely importable is described as "compound feeds exceeding 70 yen per kilogram in c.i.f. price, packaged in retail containers of a net weight of 25 kilograms or less, of lactose content less than 10% in total weight, and of crude protein content less than 35% in total weight." As of Apr. 1, the tariff on this type of pet food was increased from free of duty to 20%. Pet foods in air-tight containers were freely importable prior to Apr. 1, and canned pet foods remain free of duty.

Color movie film less than 35mm. in width and all color still film remain on the IQ list. With the liberalization of outboard motors with a rating of 10 hp. but less than 20 hp., all outboard motors are now off the IQ list and may be freely imported.

Japan still maintains quantitative restrictions on 120 items, 68 of which are agricultural.

World Bank, IDA approve loans for $82 million in Africa, Asia

Funds will assist water projects in Cameroon, private firms in Iran, gas pipeline in Pakistan, power in Ethiopia and roads in Congo

The World Bank and its affiliate, the International Development Association (IDA), have approved loans equivalent to $82.1 million for the development of private industry in Iran, the expansion of a natural gas pipeline system in West Pakistan, improving the water supply systems in the two largest cities in Cameroon, broadening the electric power system in Ethiopia, and for technical and other assistance in rehabilitating the highway network in the Congo (Kinshasa).

All necessary imports purchased with World Bank funds must be procured through international competitive bidding.

The development of private industry in Iran, which has been growing at the high rate of 10% in recent years, will be given further impetus through a $40 million World Bank loan to the Industrial Mining and Development Bank of Iran, a privately owned institution. IMDBI is Iran's major source of term finance for private industry and the loan will provide most of the foreign exchange it expects to need over the next one or two years for loans.

Since it began operation some ten years ago, IMDBI has approved loans and investments totaling the equivalent of $147 million for 271 industrial projects.

With the assistance of an $8 million Bank loan, Pakistan's Sui Northern Gas Pipelines organization will increase the capacity of its natural gas pipeline system from 172 million to 207 million cubic feet a day. This will assure the large supply of gas to be used as a raw material for the Dawood Hercules urea fertilizer plant now being constructed near Lahore with financing totaling $35.9 million from the World Bank and its affiliate, the International Finance Corporation.

The Ethiopian Electric Light and Power Authority, recipient of a $23.1 million World Bank loan, supplies nearly all public electric power in Ethiopia. It operates an interconnected system with a generating capacity of 120 megawatts, which accounts for about 85% of its sales and self-contained systems in about 23 communities with a combined capacity of 25 megawatts. The Bank loan will help to finance a 100 megawatt hydroelectric plant on the Finchaa River which will be linked to the interconnected system through a 130-mile high-voltage transmission line to Addis Ababa. The project is part of EELPA's $49 million expansion program for 1969-73 which also includes the construction of self-contained systems in an additional 17 communities.

A $5 million loan to Cameroon's national water authority will finance about 70% of the cost of expanding the water supply systems in Yaounde, the federal capital, and in Douala, the principal port and the country's main business and industrial center. The works to be undertaken will nearly double their supply of water which should be sufficient to meet the demand for approximately 10 years.

A $6 million, interest-free IDA credit to the Democratic Republic of the Congo, (Kinshasa) together with a $1.5 million technical assistance grant from the United Nations Development Program, will enable the Congo to take the first steps toward rehabilitating its highway network. The measures to be undertaken are of an emergency nature, including the provision of consultants' services to give managerial and operational support to the highway administration for 2½ years; the purchase of spare parts and equipment; and the execution of a limited number of high priority maintenance and rehabilitation works.

U.S. leads OECD nations in planned nuclear power plants

Nuclear power will account for an average of 12% of total electricity capacity planned for installation by 1971 in member countries, according to the Organization for Economic Cooperation and Development's *21st Survey of Electric Power Equipment*. Nuclear power's share by then of planned total capacity additions will range from 7% in the nine European members operating nuclear plants to 21% in the United States.

OECD European member countries plan to install more than 80,000 megawatts of generating capacity between 1968 and 1971 of which 75% will be in fossil-fuel burning stations, 18% in hydropower stations and 7% in nuclear plants.

In North America, the United States plans to install some 103,500 megawatts in the 1968-71 period of which 70% in fossil-fuel burning plants, 21% in atomic power stations and 9% in hydro-electric

Japan's electricity industry will add more than 14,000 megawatts in the period under review, 74% conventional thermal, 18% hydro and 8% nuclear.

Output of heavy equipment in 1968 is thought to have increased in the three OECD zones but it was expected that as in 1967, developments in 1968 on the whole were more favorable in North America and especially in Japan.

The electric power equipment industry is among the few industries where the volume of European and North American output is about equal. Technological competition is equally keen, with European and Japanese manufacturers producing as powerful and advanced equipment as do American firms. The report here, however, warns of the detrimental long-term effects of the differences in the structure of markets mainly supplied by these competitors.

The recent wave of mergers or new forms of cooperation in European member countries are evidence of the adaptation problems now faced by manufacturers and of their efforts to palliate them. The report adds that until a single free European market comprising all European member countries can basically remedy this situation, relief can be found through intensified technical cooperation among equipment manufacturers and between them and the electric power supply industries.

Philippine sugar mill gets loan to buy U.S. goods

The Export-Import Bank of the United States has authorized a $1.9 million loan to Lopez Sugar Central Mill Co., to help finance U.S. purchases of equipment and services required for the expansion and modernization of the company's mill at Fabrica, Negros Occidental in the Philippines. Total purchases of U.S. goods for the project are estimated at $2.2 million. Farrel Co., a Division of USM Corp. of Ansonia, Conn., will be the principal supplier of equipment and services. A 15% cash payment is made on each buy.

Chemical engineers want joint venture

A Sao Paulo firm of consulting chemical engineers, specializing in water and air pollution control and the recovery and utilization of industrial residues, seeks a joint venture with a U.S. company in the same field.

The Brazilian concern, which has engaged in other projects, has prepared process engineering projects for approximately 50 Brazilian companies, mostly in the Sao Paulo area. The firm plans projects, installs the equipment, and supervises the start up operations.

The Sao Paulo company, due to a recent Brazilian Government Decree, believes an association with a U.S. company will enable it to successfully bid on significant projects in the Brazilian market. The Decree forbids any government entity, including governmental corporations, from signing contracts with any foreign technical service firms unless the foreign company is associated with a Brazilian firm, and no local company is capable of performing the work.

Write: Dr. Reynaldo Gomide, managing partner, CENPRO-Consultoria e Planejamento de Industrias Quimicas Ltda., Avenida Sao Luis 258, 8° andar, sala 811, Caixa Postal 1503, Sao Paulo, Brazil. WTD. **P-69590.**

Tanzania offers investment opportunities, market surveys, feasibility studies to U.S.

Interested U.S. firms contemplating investing in Tanzania may obtain pre-investment studies on the following industries: soybean processing, bonemeal processing, cassava starch, galvanizing plant, polishes and waxes, vacuum flasks manufacture, phonograph records, builders hardware, and printing ink.

Fact sheets are also available for the following: pork processing plant, malting plant, wire drawing plant, electric beneficiation plant, adhesive tape, surgical cotton, and cellular concrete.

Market surveys have been made of sisal boucle carpets, multiwall paper sacks factory, Kaolin beneficiation plant, hard and soft board factories, detergent, and feasibility studies are available for terry cloth towel factory and ceramic products.

Other projects currently being studied by the Industrial Studies and Development Center on which reports will be available in the near future are: thread factory, fish canning, boat construction, flooring, and refractory.

Write: The Industrial Studies & Development Center, P.O. Box 2650, Dar es Salaam, Tanzania. **P-69581.**

British producer wants to make mining machinery

An engineering firm in Great Britain wishes to manufacture under U.S. license, with sole distribution rights, coal mining machinery for ultimate export to Commonwealth countries.

The Managing Director, a professional mining engineer, has many contacts throughout the Common Market as a result of five years experience in the selling field.

Write: Mr. E. W. Jackson, managing director, Jackson & Associates Engineering Ltd., The Spinneys, Linby, Nottingham, England. **P-69597.**

Israeli company requests licensing arrangements

A small, but growing enterprise engaged in the manufacture of nonferrous castings and irrigation fittings seeks to add new production items to its line through licensing agreements with U.S. firms. In addition, the firm wishes to train its foundry foreman in a small-sized U.S. stainless steel factory for three months.

Write: Habonim Metals Ltd., Mobile Post, Kfar Hanassi, Israel. WTD. **P-69593.**

Finnish producer wishes to make slide fasteners

A Finnish manufacturer of slide fasteners wishes to acquire exclusive rights and appropriate machinery for production of newly-designed, patented plastic slide fasteners.

The firm is especially interested in 6 and 7 mm open end mechanisms and in the continuous spiral chain.

Write: Mr. Turo Stenhall, Manager, Kaisa Salmi & Co., Aetsa, Finland. WTD **P-69595.**

U.S. ties sought by 24 Israeli firms to expand operations

Some items of interest are plastics, cosmetics, tools and electronics

Following up a recent trip to the United States by two executives of the Israeli Manufacturers Association to promote investment, the Israeli Investment Authority has compiled a list of 24 proposals by Israeli companies seeking to expand operations through joint ventures with U.S. firms. The Israelis are offering equity to U.S. investors in return for capital and, in some cases, technical and marketing knowhow.

The four opportunities outlined below are representative of the Israeli proposals. Please refer to the reference number following each proposal when requesting further details.

- Located in Tel-Aviv, a manufacturer of injection molded plastic products seeks an investment of approximately $40,000 to be utilized in development. A U.S. investor is offered 50% equity in the enterprise (Ref. No. 12).
- A producer of automotive spare parts such as exhaust pipes, mufflers and seats seeks an experienced U.S. partner.

The U.S. company is requested to supply technical and management expertise, as well as $70,000 in return for 49% equity. The Haifa firms supplies the Israeli automotive industry, Defense Force and other Government organizations (Ref. No. 15).

- An experienced U.S. furniture manufacturer is offered 30% interest in a Tel-Aviv furniture enterprise in return for a $28,000 investment. The Israeli firm makes wood and metal furniture for offices, schools and hotels (Ref. No. 16).
- A Haifa producer of a wide range of wafers, biscuits and ice cream cones seeks a capital investment of between $70,000-$140,000. The U.S. investor is offered up to 50% equity. The firm has about 60 employees (Ref. No. 30).

Also included in the list of opportunities are proposals from Israeli producers of cosmetics, cutting tools, textiles, bakery equipment, aluminum doors, electrical

products, construction equipment, packaging materials, boilers, plastic molds and electronic products.

For full information about these opportunities, interested U.S. investors should **write:** Baruch Barak, dir., Government of Israel Investment Authority, 850 Third Ave., New York, N.Y. 10002. **P-69442.**

Argentina plans hotels, other facilities for national parks

The National Parks Administration, Government of Argentina, is considering the construction of a series of new hotels and inns in some of the less well known parks of the country. The proposed new facilities would be located in Los Glaciares, Tierra del Fuego, Rio Pilcomayo, Chaco, El Rey, Salta, and Perito Moreno.

Funds for the new hotel developments contemplated would come from the sale of various government owned hotels and tourist facilities now operated on a lease basis in prime tourist areas of Argentina. These include the Catedral Ski, Ruca Malen, Llao-Llao, Iguazu, Cataratas, Tunquelen, and Futalaufquen hotels, The Cerro Catedral ski-lift and the San Carlos de Bariloche shipyard.

Write: The National Administration of National Parks, Government of Argentina, Buenos Aires, Argentina. **P-69596.**

License to make golf carts sought by New Zealander

A well established New Zealand Company in the importing and wholesale business wishes to manufacture self propelled golf carts under U.S. license.

The self propelled golf carts are a new product in the New Zealand market and the company feels their promotion would bring lucrative results. Technical assistance is required and component parts not available from local manufacturers or suppliers would be purchased from the U.S. firms.

Write: G. John Farmer, gen. mgr., Engine Utilities Ltd., P.O. Box 17-072, Green Lane, Auckland, New Zealand. WTD. **P-69592.**

Italian concern wants to make water desalination systems

A medium sized Florence contractor engaged in the construction of sewer, irrigation and water purification systems and aqueducts seeks licenses.

The Italian company is interested in the manufacture of water desalination machinery, equipment and systems, excluding very large systems and small systems for private use.

Pending the outcome of negotiations with any interested U.S. licensors, the Florence firm plans to undertake a thorough study of the water situation in cities along the Italian coast and subsequently prepare detailed programs for the development of water desalination systems where appropriate.

Firms desiring additional information regarding this opportunity should **write:** I. G. L. A.-Impresa Guido Luder, 7 Viale Matteotti, I 50121, Florence, Italy. WTD **P-69591.**

Protective clothing licenses sought by Dutch producer

A license to manufacture nuclear, bacteria and chemical protective clothing is sought by a Dutch firm already active in this field. The firm reports annual sales at $250,000 and employs 35 persons.

Write: Confectie-Atelier "De Reiger" N.V., 27-29 Wolfkuilseweg, Nijmegen, The Netherlands. WTD. **P-69588.**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

German firms seek to expand activities

Two German firms are interested in licensing arrangements with U.S. companies to produce items related to their specific fields.

Firms desiring additional details concerning these opportunities should contact the German firms at the addresses given below.

- A well-established German paperboard manufacturer seeks to license the production of special weatherproof boxes and cartons.

The firm was established in 1920, employs 750 persons and reports annual sales at approximately $17.5 million.

Write: Wellpappe Wiesloch GmbH & Co., KG, 6908 Wiesloch, Ringstrasse 17-21, Federal Republic of Germany. WTD. **P-69587.**

- U.S. licenses to manufacture additional lines of organic chemicals are sought by a large and well-established German chemical company.

The firm, which reports annual sales of $10 million, specializes in oxalic acid, formic acid, ammonium oxalic, potassium binoxalate, and manganic salt.

Write: Rudolf Koepp & Co., Chemische Fabrik AG, 6227 Oestrich/Rheingau, Burgstr. 5, Germany. WTD. **P-69586.**

Australian electronic firm seeks technical knowhow

A Melbourne importer, distributor and manufacturer of electrical and electronic engineering equipment is interested in similar lines to be assembled or manufactured under license from a U.S. company.

The firm is particularly interested in obtaining advanced technical knowhow, patents and designs in the electronic equipment field.

The Australian company imports and services professional electronic components, wire processing equipment, modular instrumentation, and electrocardiographs.

Plans are under way for the establishment of a component manufacturing plant possibly introducing wirewound trimming potentiometers, complimented with consumer products such as a variable speed blender.

Write: Rutherford Electronics Pty. Ltd., 833 Doncaster Road, Doncaster, Victoria 3108, Australia. WTD. **P-69594.**

World Trade Opportunities

Prequalifications wanted by Pakistan on bids for highway construction

The Government of Pakistan invites firms to prequalify to bid on the construction of a highway between Dacca and Chittagong.

The work involves construction of embankment-in-place (5,918,000 cu. yds.), roadway pavement (1,124,000 sq. yds.), shoulder pavement (688,000 sq. yds.), and other structures (27 bridges and 94 box culverts).

The project is being tendered in seven sections divided into 14 parts. A credit from the International Development Association will partially finance the undertaking.

Bid deadline is August 15.

Plans, specifications and contract documents are available from the Project Manager, Ammann and Whitney International, Ltd., P.O. Box 348, 95 Motijheel Commercial Area, Dacca-2, East Pakistan. The costs (non-refundable) per section are as follows: Section I, Rs 1400 ($294); Section II, Rs 1200 ($252); Section III, Rs 900 ($189); Section IV, Rs 950 ($199.50); Section V, Rs 600 ($126); Section VI, Rs 1050 ($220.50); and Section VII, Rs 1050 ($220.50). Necessary forms for prequalification may be obtained for Rs 15 ($3.15) from the same source. Payment may be made in rupees or their dollar equivalent.

One set of prequalification documents may be viewed in Room 4813, U.S. Department of Commerce, Washington, D.C. 20230★ (Telephone: 202-967-3602).

Yugoslavia issues notice to construction bidders

The Yugoslavian Railway Transport Enterprise requests that potential bidders on the construction of steel bridges on the Zlatiboro-Priboj, Priboj-Prijepolje and Prijepolje-Gostun sections of the Beograd-Bar Railway Line submit their qualifications by June 30. Construction is to begin Oct. 1.

Copies of the prequalification documents are available from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602). One set of drawings is available for office review.

Singapore seeks supply bids for tubes and semiconductors

The Director, Telecommunications Department, Republic of Singapore, has issued a Tender, for the supply of tubes and semiconductors.

Bid deadline is June 16.

Copies of tender announcement and specifications are available only from the Director, Telecommunications Department, 35 Robinson Road Singapore 1, Republic of Singapore upon payment of a Tender deposit of $200.

Construction bids sought for project in Yugoslavia

The Republic Funds for Roads of Socialist Republic of Croatia and Slovenia seeks to prequalify construction concerns to tender on the Vrhnika-Postojna-Razdrto and Zagreb-Karlovac Highways.

Prequalification deadline is June 9.

Copies of the prequalification documents may be obtained from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602). Pertinent maps and drawings for the two projects may be inspected in the above office.

Little things make the difference

"Quite often the difference in being successful and not being successful in a foreign market is that the successful firm is aware of and paying attention to the little things.

"These can be:

"Handling all overseas correspondence as quickly as possible;

"The ability to be understood in writing;

"Making certain that the sales literature and technical bulletins are in the language of the country;

"And tailoring the product to the customer's needs.

"To be successful in international trade takes more than a product and a desire to sell it. Often it is these little things that can make the big difference in overseas marketing."

—V. J. Borland, Export Manager, Quaker State Oil Refining Corp.

Turkey issues tenders for communications equipment

The Deniz Kuvvetleri Komutanligi, Ikmal Dairesi Baskanligi, Tedarik Sube Mudurlugu (Naval Forces Command), has issued Tender A, for the supply of VHF FM communications equipment.

Bid deadline, for firms interested in supplying this equipment, is July 1.

Bid should offer one hundred (100) VHF FM transceivers, F3 emission, simplex telephony, frequency range 30-60 MHz, portable, back-pack type, fully transistorized.

Copies of tender announcement and specifications are available only from the Modern Translation Bureau, Karanfil Sokak 49/2 Ankara, Turkey for $9 including airmail postage.

Malaysia issues tenders for plant construction, supply of various items

The State Government of Selangor has invited bids for the following contracts to be executed near Kuala Lumpur:

Contract No. 1—supply and delivery only of 5,000 ft. of 49-inch O.D., 12,000 ft. of 36-inch O.D., and 27,000 ft. of 32-inch O.D. concrete-lined steel pipes and specials.

Contract No. 2—supply of sluice valves, butterfly valves, air valves, float valves and non-return valves for the pipes supplied under Contract No. 1.

Contract No. 3—supply and erection of chemical dosing, filtration, instrumentation and miscellaneous equipment for a treatment works of 14 million gallons per day capacity.

Contract No. 6—supply and erection of electrically driven low lift and high lift pumps, each of a total installed capacity of 28 m.g.d., together with motors, starters, switchgear and miscellaneous equipment.

Contract No. 7—supply and erection of electrical equipment for the treatment plant and pumping station in Contracts 3 and 6, and the provision and wiring of lighting for structures to be constructed under a civil works contract. Financing by the International Bank for Reconstruction and Development is being provided for this project.

Tender documents are available from Binnie and Partners, 7th floor Mercantile Bank Building, Kuala Lumpur, Malaysia, on payment of a tender deposit of M$500.00($1=M$3.04) in the form of a crossed check in favor of the Government of Selangor. This deposit is refundable on receipt of a bona fide tender or the return of the documents before the tender closing dates. Contracts 1 and 2—documents available, closing date June 30; Contract 3—documents available, closing date July 31; Contracts 6 and 7—documents available, closing date July 31.

Contractors to prequalify for Kuwait water plant

The Central Tenders Committee of Kuwait invites registration of prospective tenderers for supply and construction of a control center, pumping stations, and chemical dosing and blending plants for the water distribution system for Kuwait City.

Equipment for the project is to be obtained from a specified list of suppliers by the prime contractor, or from other suppliers proposed by the prime contractor and accepted by the Central Tenders Committee. Seven year term financing of the project (estimated to be in excess of $12 million) is to be offered by tenderers.

Registration is to be effected through a Kuwaiti agent or partner not later than July 28.

Information may be obtained from the Central Tenders Committee, Sief Palace, Kuwait, State of Kuwait.

World Trade Opportunities Continued through page 40

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

019 Miscellaneous Agriculture

MALAYSIA—Vegetable seeds. Seah Meng Co. (wholesaler, retailer), 39 Tanah Tata, Cameron Highlands, Pahang. WTD 4/69.

TAIWAN—Pheasant and bees for breeding. Yih Sheng Trading Co. Ltd., (importer, exporter), 46-3 Tai Yuan Road, Taipei. WTD 2/69.

201 Meat products

MALAYSIA—Canned meat. The Oasis Ltd. (importer, retailer), 120 Jalan Tuanku Abdul Rahman, Kuala Lumpur. WTD 4/69.

203 Canning, preserving foods

MALAYSIA—Canned seafood, vegetables, fruits, juices. The Oasis Ltd. (importer, retailer), 120 Jalan Tuanku Abdul Rahman, Kuala Lumpur. WTD 4/69.

204 Grain mill products

MALAYSIA—Feed concentrate and supplements. Seah Meng Co. (wholesaler, retailer), 39 Tanah Rata, Cameron Highlands, Pahang. WTD 4/69.

229 Textile goods

PORTUGAL—Acrylic, polypropylene, other manmade fibers for use in textile industry. Direct purchase and agency. Hilario Dias Freire & Ca. Lda. (sales agent, importer), Apartado 162, Covilha. WTD 12/68.

242 Sawmills, planing mills

CYPRUS—Douglas fir timber. Quote c.i.f. Cyprus. Direct purchase and agency. George S. Galatariotis & Sons Ltd. (manufacturers' agents, importers, distributors), P.O.B. 1547, Nicosia. WTD 4/69.

GERMANY—Lumber: Douglas fir, hemlock, Californian redwood, pitchpine kiln dried sapwoods, western red cedar. Pinus Holzimport GmbH Karlsruhe KG (manufacturer, wholesaler, importer), 5 Hansastrasse, D-7500 Karlsruhe 21. WTD 4/69.

262 Paper mills

● **IRAN**—The Iranian Tobacco Monopoly is inviting bids for the following items:

850 tons of mechanical paper to be supplied in bobbins. Bobbin widths range from 295 mm to 500 mm. Substance for all 850 tons to be 90 grams/m^2 ± 2 grams. Bid deadline July 17.

150 tons coarse yellow paper, supplied in bobbins measuring 492 mm wide. Substance to be 110 grams/m^2 ± 5 grams. Bid deadline July 20.

150 tons of coarse blue paper to be supplied in bobbins measuring 492 mm wide. Bobbin core diameter to be 150 mm. Substance to be 110 grams/m^2 ± 5 grams. Bid deadline July 22.

Copies of tender form with specifications and conditions on above items are available from the Forest Products and Packaging Division, BDSA, Room 4007, U.S. Department of Commerce, Washington, D.C., 20230.★ (Telephone 202-967-3530).

PHILIPPINES—Newsprint; printing paper, wood-free. Robert Dan & Co., Inc. (importer, indentor, retailer), 1642 San Marcelino St., Manila. WTD 10/68.

264 Converted paper, paperboard products

GERMANY—Quality wallpaper. Prices c.i.f. Hamburg. Direct purchase and exclusive agency. Jung, Zorn & Co., KG (wholesaler), 61 Darmstadt, Rheinstr. 51. WTD 4/69.

PHILIPPINES—Coated paper, art. Robert Dan & Co., Inc. (importer, indentor, retailer), 1642 San Marcelino St., Manila. WTD 10/68.

281 Industrial chemicals

BRAZIL—Rubber processing chemicals, mineral pigments for rubber industry. Marcia Produtos Quimicos S.A. (importer), Avenida Sandor Queiroz 96, Sao Paulo. Attn.: Wilson Queiroz. WTD 4/69.

GERMANY—Organic cyclic and acyclic chemicals, metallic salts, etc. in bulk. Direct purchase and agency for W. Germany or W. Europe. Rudolf Koepp & Co. Chemische Fabrik AG (manufacturer, distributor, importer, exporter), 6227 Oestrich/Rheingau, Burgstr. 5. WTD 4/69.

All kinds of raw organic and inorganic chemicals. Direct purchase and agency. Justus Hoffmann oHG (wholesaler, importer, exporter, sales agent), 3500 Kassel-Wilhelmshoehe, Brasselsbergstr. 4. WTD 4/69.

ISRAEL—Active materials for the manufacture of household insecticides, technical grade, for inquirer's formulas. Direct purchase and agency. Tarsis Agricultural & Industrial Chemicals Co. Ltd. (importer, exporter, manufacturer, agent), P.O. Box 183, Tel Aviv. WTD in preparation.

282 Synthetic materials

AUSTRIA—Fiberglass laminates for the manufacture of sport bows. Alois Zopf—Bogensport (manufacturer, importer, distributor), P.O. Box 19, A-4822 Bad Goisern. WTD 4/69.

BRAZIL—Synthetic rubber, synthetic resins for rubber industry. Marica Produtos Quimicos S.A. (importer), Avenida Senador Queiroz 96, Sao Paulo. Attn.: Wilson Queiroz. WTD 4/69.

GERMANY—Printed plastic film wrapping material. Direct purchase and agency. Justus Hoffmann oHG (wholesaler, importer, exporter, sales agent), 3500 Kassel-Wilhelmshoehe, Brasselsbergstr. 4. WTD 4/69.

PHILIPPINES—Cellophane, made in chemical plants. Robert Dan & Co., Inc. (importer, indentor, retailer), 1642 San Marcelino St., Manila. WTD 10/68.

283 Drugs

MALAYSIA—Complete line of veterinary preparations. Seah Meng Co. (wholesaler, retailer), 39 Tanah Rata, Cameron Highlands, Pahang. WTD 4/69.

TAIWAN—Pharmaceutical preparations. Requests brochures and price information. Direct purchase and agency. Hwa Chi Trading Co. (importer, agent), P.O. Box 785, Taipei.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

NETHERLANDS—Anti-foot perspiration preparation, effective within three days and lasting approximately six months after first use; other foot, skin, hair preparations, cosmetics; in general all kinds of products for drugstores. Direct purchase and/or agency for Benelux area. Industrie & Handelsonderneming Hovenco c.v. (importer, distributor, exporter), P.O. Box 2, Vlijmen. Attn.: P. J. van de Ven, Gen. Mgr. WTD 4/69.

287 Agricultural chemicals

MALAYSIA—Agricultural insecticides and pesticides for controlling diamond back moths; cabbage, loopers and leaf chewing worms—similar to Thursicide 90TS or Biotrol. Requests price lists and brochures. Seah Meng Co. (wholesaler, retailer), 39 Tanah Rata, Cameron Highlands, Pahang. WTD 4/69.

289 Chemical products

COLOMBIA—Adhesives. Pegate Ltda. (manufacturers, distributors), Calle 22-C No. 31-38, Apartado Aereo No. 20109, Bogota. WTD 5/69.

319 Leather goods

AUSTRIA—Bow cases of artificial leather, lamb skin lined; quivers and archers' arm guards of leather. Direct purchase and agency. Alois Zopf—Bogensport (manufacturer, importer, distributor), P.O. Box 19, A-4822 Bad Goisern. WTD 4/69.

331 Steel mill products

PAKISTAN—12,500 kilos of bright semi hard flat sections of spring steel wire for spring washers in annealed condition and 21,700 kilos of round sections of spring steel wire for the manufacture of springs. Net f.o.b. and C.&F. prices as well as firm delivery dates requested. Forbes Forbes Campbell & Co. Ltd. (importer), Ebrahim Bldg., West Wharf Road, Post Box 4659, Karachi. WTD 1/68.

335 Rolling, drawing, extruding nonferrous metal

● **THAILAND**—All aluminum aerial cable, 25Kv, polyethylene covered, 72,000 meters, two sizes. Tender No. MEA-PSD-153. Bid deadline June 20. Purchase and Stores Division, Metropolitan Electricity Authority, 121 Chakraphet Road, Bangkok.★ (Telephone: 202-967-4579).

342 Cutlery, hand tools, general hardware

ENGLAND—Hand tools of all kinds. Draper Tools Ltd. (distributor, importer, exporter), Chandlers Ford, Hampshire. WTD 3/69.

344 Fabricated structural metal products

CHAD—The Government of Chad's Public Works Department has issued a call for intentions to bid from potential suppliers of metal culverts. The approximate value of the order is $134,000. Registration deadline is June 24, with bids due by July 7.

Additional information is available from the Construction and Building Materials Division, BDSA-645, Room 4813, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-3602).

352 Farm machinery

MEXICO—Dehydration machinery, related equipment capable of drying up 100,000 to 120,000 lbs. green alfalfa in eight hour period. Sr. Emilio Murra Murra (importer), J. Ignacio Jimenez, Colonia Los Angeles, Apartado Postal 12, Torreon, Coahuila. WTD in preparation.

353 Construction, mining, materials handling machinery equipment

● **INDIA**—One direct rotary-cum-reverse circulating rig with complete set of tools and equipment. U.S. source only. Tenders invited by Director General of Supplies and Disposals, N.I. Building, Parliament St., New Delhi, India. Tender No. I.S.M. Ref. No. D/ENQ/2648. Bid deadline June 24. Tender documents available from India Supply Mission, Washington, D.C. for $2.50, payable in advance, or on loan basis from General Industrial Equipment Division, BDSA-647, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-5566).

Worldwide tender for 16 heavy-duty skid mounted concrete mixers of 6 cu. yd. capacity, suitable for mounting on owners flat bed rail car. Tender No. BPO/IIII/P-471/56225/Global. Bid deadline June 19. V. K. Yashroy, chief purchase officer, Beas Purchase Organization, Talwara Township, Hoshiarpur, Punjab.★ (Telephone: 202-967-5566).

● **MALAYSIA**—One crawler mounted dragline with ¾ cu. yd. bucket (equal in performance to Ruston-Bucyrus 22RB or Kockum KL 225); one crawler mounted excavator equipt with hydraulically operated ⅝ cu. yd. bucket (equal in performance to Poclain T.C. 45); one mobile mounted excavator equipt with hydraulically operated ¾ cu. yd. bucket (equal to Poclain T. Y. 45). Tender No. PWD/M3/39, bid deadline June 9. The Chairman, Federal Central Tenders Board, Room 702, New Secretariat Bldg., Kuching, Sarawak.

● **THAILAND**—IBRD financed loan for five crawler type bulldozers, 120 h.p.; two crawler type bulldozers, 160 hp.; two crawler type angledozers, 160 hp.; nine motor scrapers, 9-11 cu. yd. capacity; six tandem drive motor graders, 115 hp.; six double drum 40" x 48" sheepfoot rollers, pulled type; three mobile mounted backhoes, hydraulic retractable boom ¾ cu. yd. bucket capacity. Tender No. MK-1-30. Bid deadline June 10. Detailed specifications and bidding forms available from The Royal Irrigation Dept., Samsen Road, Bangkok.

354 Metalworking machinery

ENGLAND—Electric, cutting and precision tools. Draper Tools Ltd. (distributor, importer, exporter), Chandlers Ford, Hampshire. WTD 3/69.

GERMANY—Gas welding and cutting apparatus, prefers most recent technical developments. Direct purchase and representation for Europe. Peter Goerres K.G. (manufacturer, distributor, exporter, importer), 6 Frankfurt/Main 74, Postfach 740144. WTD 4/69.

ISRAEL—Electronic stencil sheets to be used for electronic stencil cutters. Direct purchase and agency. Maatak Ltd. (importer, wholesaler, retail distributor, manufacturer), 59 Hovevei Zion St., Tel Aviv. WTD 10/68.

● **PAKISTAN**—Machine tools and cutting tools, including: five 17" floor model drill presses; six pedestal tool grinders; one universal miller with 9" x 36" table; five vertical milling machine—head with 3 hp. motor; five horizontal milling machines with 7" x 28" table; eight shapers; five surface grinders; five metal band saws; five power hack saws; four 3-ton arbor presses; and various quantities and types of cutting tools. Tender No. S-12/194/C/68-69, bid deadline July 14. Directorate of Supply, Government of East Pakistan, 48 Motijheel Commercial Area, Dacca-2.★ (Telephone: 202-967-5652).

356 General industrial equipment

● **IRAN**—Four diesel motor pumps, 100 cu. m. capacity. Tender No. 12/48, bid deadline July 5. Iranian State Railways, Tehran.★ (Telephone: 202-967-5585).

357 Office, computing, accounting machines

CYPRUS—Typewriters, electronic computing equipment, calculating and accounting machines. Quote c.i.f. Cyprus. Direct purchase and agency. R. E. S. Trading House (manufacturers agents, importers, distributors), P.O.B. 2336, Nicosia. WTD 4/69.

ISRAEL—Small computing machines; small calculating machines. Direct purchase and agency. Maatak Ltd. (importer, wholesaler and retail distributor, manufacturer), 59 Hovevei Zion St., Tel Aviv. WTD 10/68.

362 Electrical industrial apparatus

FRANCE—General industry power circuit devices, controls. Direct purchase and agency. Sogeric (manufacturers' agent), 146 rue Sainte, 13-Marseille, 7eme. WTD 12/68.

GERMANY—Arc welding machines, prefers most recent technical developments. Direct purchase and representation for Europe. Peter Goerres K.G. (manufacturer, distributor, exporter), 6 Frankfurt/Main 74, Postfach 740144. WTD 4/69.

● **GREECE**—Supply 400 Kw diesel generator set. Tender No. B/176/69, bid deadline June 20. Ministry of Commerce, State Purchases Directorate B, 50 Socratous St., Athens, Greece.

Specifications available from the Power and Electrical Equipment Division, BDSA, Room 4124, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

364 Electric lighting, wiring equipment

BOLIVIA—Street lighting fixtures, approximately 500. Requests prices, specifications; also prefer replies in Spanish. Municipalidad de Cochabamba (government agency), Seccion Alumbrado, Cochabamba.

366 Communication equipment

FRANCE—Electronic navigational aids: radiogoniometer (direction finder); radars, sonars; sounders; transmitters-receivers; log for marine use. Direct purchase and agency. Sogeric (manufacturers' agent), 146 rue Sainte, 13-Marseille, 7eme. WTD 12/68.

369 Electrical machinery, equipment, supplies

FRANCE—Electric ignitors for liquid oxygen explosives and nitrate fuel explosives used in underground coal and iron ore mining. Request replies in French. Union Lorraine d'Explosifs (manufacturer, wholesaler), 91 Avenue de la Liberation, 54 Nancy. WTD 4/69.

KOREA—Spark plugs for internal combustion engines, motor cycles, three wheeled trucks. Direct purchase and agency. Hansa Corp. (importer, wholesaler, agent), C.P.O. Box 297, Seoul. WTD in preparation.

374 Railroad equipment

● **IRAN**—Supply of three sets of electrical warming apparatus for railway steel-tyre. Tender No. 2075/47, bid deadline 9 a.m. June 9. Tenders to be submitted by June 9 with a deposit of $2,000. Offers received from countries having clearing transactions with Iranian Government are preferable if their rate and specifications are same as others. A set of specifications is available for review only in Room 4021, Transportation Products Division, BDSA-631, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4816).

● **NEW DELHI**—Two combination trolley and battery locomotives for a copper project. The Controller of Supplies, Hindustan Copper Ltd., P.O. Khetri Copper Project, Distt. Jhunjhunu, Rajasthan. Tender No. PUR/MD/CS/KH/M (16)/69. Bid deadline May 28. A set of specifications is available for review only in Room 4021, Transportation Products Division, BDSA-631, Department of Commerce Washington, D.C. 20230.★ (Telephone: 202-967-4816).

● **TAIWAN**—One track recording trolley; 160 electric ballast tamping equipment; two portable vibrating accelerometers; 200 track jacks; ratchet type, capacity not less than 5 tons; 50 portable gasoline engine generators for lighting, each with two 100-watt search light lamps. All with repairing tools. Tender No. IB2B-0031(c), bid deadline May 28. Central Trust of China, Purchasing Department, 49 Section 1, Wuchang St., Taipei, Taiwan. A set of specifications is available for review only in Room 4021, Transportation Products Division, BDSA-631, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4816).

381 Engineering, laboratory, scientific, research instruments

FRANCE—Nautical and navigational instruments such as gyroscopic compasses, magnetic compasses; automatic pilots; for marine use. Direct purchase and agency. Sogeric (manufacturers' agent), 146 rue Sainte, 13, Marseille, 7eme. WTD 12/68.

382 Instruments for measuring, controlling, indicating physical characteristics

● **IRAN**—Supply of 12,400 water meters in sizes of ½", ¾", 1", 1½", 2" and in length varying from 170 mm. to 360 mm. Bid deadline July 22. Terms in Persian, specifications in English. Requested by the Isfahan Water and Sewage System, P.O. Box 90, Isfahan, Iran. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, Dept. of Commerce, Wash., D.C. 20230.★ (Telephone: 202-967-2939).

NEW ZEALAND—Automotive diagnostic service equipment such as purchasing computer controlled diagnostic automotive engine test equipment, chassis dynamometer, diagnostic brake testers, front wheel aligning and test equipment. Technical brochures, quotes requested. Mr. L. E. Robertson, Dir., Dynatune Ltd. (automobile diagnostic service), 27 Liverpool St., Auckland 1. WTD 4/69.

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilities in foreign countries, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Area Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530.

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 11 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 725-2133.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

● **PAKISTAN**—The Government of Pakistan has issued tenders on the following commodities:

Supply of 18 items in various quantities including: micrometers, differing capacities; hole gauges, various sizes; stop watches; planimeters; ranging poles; engineers chains; steel tapes; pantographs; drafting machines; map measures; other related items. Tender No. S-9/364/SCI/66-67/IDA/M, bid deadline June 30. Procurement will be financed by IDA Credit No. 49-Pak.

Supply of 22 parallelograms; 8 shear legs; 8 reaction of beam apparatus; 16 fly wheels with accessories; 8 modules of rigidity; and 8 motor brake test outfits. Tender No. S-9/261/SCI/65-66/IDA/MK, bid deadline July 2. Procurement will be financed by IDA Credit No. 49-Pak.

Requested by the Director of Supply, Government of East Pakistan, 48 Motijkeel Commercial Area. Dacca—2, East Pakistan—Cable: "SUPPLY", Dacca. Terms and specifications on above tenders available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

384 Surgical, medical, dental instruments

SWEDEN—Surgical instruments, surgical appliances, supplies, preferably new products. Agency or direct purchase. Write: R. Soderberg and Company AB (agent wholesaler). Drottninggatan 13, S-403 14 Goteborg 2. WTD 4/68.

386 Photographic equipment

AUSTRIA—Electrostatic and diffusion transfer photocopying equipment with continuous-roll automatic feeding; three dimensional reprographic equipment; silver diffusion transfer papers. Direct purchase and/or agency. ABC-Buerobedarf Ges.m.b.H. (wholesaler, repairer), Gudrunstrasse 5, A-1030 Vienna, Austria. WTD 4/69.

● **KOREA**—Supply of 12 items of X-ray film, as follows. Radigraphic, 1,240 packages, various sizes; fluorography, 170 rolls, various sizes; dental, 50 packages, 3 x 4 cm.; black and white panchromatic film, 300 rolls, various sizes; color movie film, 10 rolls, double 8 mm. roll, 25 feet or 7.62 meters.

Tender No. SLC/9070-N, bid deadline is June 5.

Requested by the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

387 Watches, clocks, parts

CYPRUS—Watches and parts, clocks, chronometers. Price range low to medium. Quote c.i.f. Cyprus. Direct purchase and agency. R.E.S. Trading House (manufacturers' agents, importers, distributors), P.O.B. 2336, Nicosia. WTD 4/69.

396 Costume jewelry, novelties, buttons, notions

AUSTRIA—Natural feathers, cut, for arrows. Alois Zopf-Bogensport (manufacturer, importer, distributor), P.O. Box 19, A-4822 Bad Goisern. WTD 4/69.

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

011 Field crop farms

TAIWAN—Raw cotton, soybeans. Hwa Chi Trading Co. (importer, agent), P.O. Box 785, Taipei. WTD 6/68.

208 Beverage industries

ITALY—Whiskey, gin. Exclusive agency for Italy. SANMICHELE (manufacturer), 133 Via Selva, I 51031-Agliana (Postoia). WTD 4/69.

221 Broad woven fabric mills, cotton

AUSTRALIA—Upholstery, furnishing and household (e.g. dressmaking) fabrics; printed or woven designs. Samples, c.i.f. prices requested. Alex M. Stewart (manufacturers' agent), Room 1, 47 Phillip St., Sydney, N.S.W. 2000. WTD in preparation.

222 Broad woven fabric mills, manmade fiber, silk

AUSTRALIA—Upholstery, furnishing and household (e.g. dressmaking) fabrics; printed or woven designs. Samples, c.i.f. prices requested. Alex M. Stewart (manufacturers' agent), Room 1, 47 Phillip St., Sydney, N.S.W. 2000. WTD in preparation.

HONG KONG—Furnishing and upholstery fabrics. Blair & Co., Ltd. (importer, wholesaler, manufacturers' agent), P.O. Box 327, Hong Kong. Cable: MADRIGAL. WTD 6/68.

223 Broad woven fabric mills, wool

AUSTRALIA—Upholstery, furnishing and household (e.g. dressmaking) fabrics; printed or woven designs. Samples, c.i.f. prices requested. Alex M. Stewart (manufacturers' agent), Room 1, 47 Phillip St., Sydney, N.S.W. 2000. WTD in preparation.

229 Textile goods

ITALY—Processed textile waste suitable for use in textile industry; wool rags, wool waste, hoisery clips, manmade fibers, other related items. ITALFIBRE (sales agent), 78 Viale Vittorio Veneto (P.O. Box 87), I 50047-Prato (Florence). WTD 4/69.

242 Sawmills, planing mills

FRENCH WEST INDIES—Rough lumber for construction industry. Lafosse-Marin, Roger (agent), 44 rue Isambert-Boite Postale, Fort-de-France. WTD in preparation.

262 Paper mills, products

ITALY—Kraft liner board in reels for corrugated cardboard. Mannocci, Romano (sales agent), Via Sarzanese, I 55050-Maggiano (Lucca). WTD 4/69.

273 Books

NEW ZEALAND—Children's interest books, such as activity books, cut-out books, coloring books. Exclusive agency. Mr. G. H. Garvin, Stationery Div. Mgr., Stanley Newcomb & Co. Ltd. (importer, manufacturer), Private Bag, Royal Oak, Auckland 6. WTD 3/69.

275 Commercial printing

SPAIN—Three-dimensional (3-D) postcards. International City (Mr. Erwin Hilbert) (real estate developer), Apartado 134, Fuengirola, Malaga. WTD 4/69.

282 Synthetic materials

ITALY—Manmade fibers used in textile industry (staple, tow, thread, substandard quality). ITALFIBRE (sales agent), 78 Viale Vittorio Veneto (P.O. Box 87), I 50047-Prato (Florence). WTD 4/69.

285 Paints, varnishes, lacquers, enamels

NETHERLANDS—Antiskinning agents, fungicides, other specialties for paints. Agency for Benelux area. Agentuur- & Commissiehandel Alb. Th. Suermondt (agent, importer, exporter), 97 Grotestraat, or P.O. Box 56, Waalwijk. WTD 3/69.

287 Agricultural chemicals

NETHERLANDS—Fungicides, for paints only. Agency for Benelux area. Agentuur- & Commissiehandel Ab. Th. Suermondt (agent, importer, exporter), 97 Grotestraat, or P.O. Box 56, Waalwijk. WTD 3/69.

307 Plastic products

AUSTRIA—Novelties in the field of small household goods and gift ware for sale through department stores and mail order houses. Alfred Smisch-Handelsagentur (manufacturers' representative), Kreuzgasse 28/1, A-1180 Vienna. WTD 3/69.

354 Metalworking machinery

ITALY—Special machine tools for the automotive and ball bearing industries. Tecnomacchine (manufacturer, agent), Corso Orbassano 219, 10137 Torino. WTD 12/68.

355 Special industry machinery

BRAZIL—Machines for peeling of green bananas, approx. 1.000 kg/h; machines for paring or decorticating pineapples, 4500-5000 kg/h; machines for labelling square conical, pyramid shaped stumps; cans usually used for luncheon meat and corned beef, for 360° labelling, approx. 2- 3.000/h. Sonibra Equipamentos Industriais Ltda. (agent), Avenida Senador Queiroz 96, 10° andar, sala 1001, Sao Paulo, State of Sao Paulo. WTD in preparation.

KOREA—Twist crimping machine for making stretch yarn from polyester, nylon yarn; circular knitting machine; setting machine; looms for cotton, silk, synthetic yarns; dyeing machine; winders. Seil Traders Corp. (sales agent), C.P.O. Box 5250, Seoul. WTD in preparation.

358 Service industry machines

KOREA—Air conditioning equipment for textile factory. Seil Traders Corp. (sales agent), C.P.O. Box 5250, Seoul. WTD in preparation.

362 Electrical industrial apparatus

KOREA—Welding apparatus for repair of

heavy construction equipment. Seil Traders Corp. (sales agent), C.P.O. Box 5250, Seoul. WTD in preparation.

SWITZERLAND—High speed stepping motors for digital motions and for x/y-positioning systems. Dumaco AG (manufacturer, distributor), G. Manta Ingenieur, Elfenaustrasse 3, 2500 Biel. WTD in preparation.

363 Household appliances

KOREA—Industrial sewing machines; parts, attachments. Seil Traders Corp. (sales agent), C.P.O. Box 5250, Seoul. WTD under preparation.

NEW ZEALAND—Micro-wave household cooking equipment. Mair and Co. (Importers) Ltd. (manufacturers' representative), P.O. Box 1900, Christchurch. WTD 4/69.

366 Communication equipment

ISRAEL—All types of sophisticated security systems for industry and public, specifically electronic intrusion detection apparatus; fire, burglar alarm devices; lock systems, personnel identification systems. Exclusive representation. Astris Industrial Promotion, Trade and Trust Co. Ltd. (industrial promoter, international trader), 71 Yehuda Halevi St., Tel Aviv. WTD in preparation.

371 Motor vehicles, motor vehicle equipment

AUSTRIA—Automobile accessories of any kind. Alfred Smisch-Handelsagentur (manufacturers' representative), Kreuzgasse 28/1, A-1180 Vienna. WTD 3/69.

SPAIN—Passenger automobiles; trucks, general purpose. Sucesores de Domingo Perez Garcia (agency), Apartado Postal #46, Arrecife de Lanzarote (Gran Canaria). WTD 3/69.

381 Engineering, laboratory, scientific research instruments

NEW ZEALAND—Drafting instruments, machines. Exclusive agency for national distribution. G. H. Garvin, Stationery Div. Mgr., Stanley Newcomb & Co. Ltd. (manufacturer, importer), Private Bag, Royal Oak, Auckland 6. WTD 3/69.

383 Optical instruments, lenses

KOREA—Laboratory analysis instruments: optical elements, assemblies; allied optical products. Seil Traders Corporation (sales agent), C.P.O. Box 5250, Seoul. WTD under preparation.

393 Musical instruments, parts

SPAIN—Electric guitars, wind musical instruments, jazz batteries, electronic organs, other related instruments. Manuela de Paz Simon (agency), Candelaria 17, Santa Cruz de Tenerife (Canary Islands). WTD 4/69.

395 Pens, pencils, office, artists' materials

NEW ZEALAND—Drafting materials. Exclusive agency for national distribution. G. H. Garvin, Stationery Div. Mgr., Stanley Newcomb and Company Limited (manufacturer, importer), Private Bag, Royal Oak, Auckland 6. WTD 3/69.

509 Miscellaneous wholesalers

TAIWAN—Iron and steel scrap. Requests price. Hwa Chi Trading Co. (importer, agent), P.O. Box 785, Taipei. WTD 6/68.

Leads for Importers

Commodities are offered direct unless specified

195 Small arms

AFGHANISTAN—Hand-made custom gun stocks for various models of Remington, Mauser, Winchester, Savage, Churchill, other shotguns, rifles: walnut with brass inlay option. Afredi Ltd. (importer, exporter), P.O. Box No. 107, Kabul. WTD 4/68.

208 Beverage industries

FRANCE—Bordeaux wines, classified and vintage qualities, red and white, in 75-centilier glass bottles. Wholesale exportation, direct or through well-established sales agents. Meyniac & Cie., J. (wholesalers and exporters), 27 Rue Poyenne; 33- Bordeaux, Gironde. WTD 5/69.

314 Footwear, except rubber

ITALY—Footwear. Wishes to act as buying agent for U.S. companies. H.G.P. Florence Trading Co. (buying agent), 1/A Via Guerrazzi, I 50132 Florence. WTD 4/69.

315 Leather gloves

ITALY—Gloves. Wishes to act as buying agent for U.S. companies. H.G.P. Florence Trading Co. (buying agent), 1/A Via Guerrazzi, I 50132 Florence. WTD 4/69.

317 Handbags, personal leather goods

ITALY—Handbags. Wishes to act as buying agent for U.S. companies. H.G.P. Florence Trading Co. (buying agent), 1/A Via Guerrazzi, I 50132 Florence. WTD 4/69.

Visiting Buyers and Officials

AFGHANISTAN—Ghulam Hassan Hosseinzada, representing Haji Ghulam Mohammed Hosseinzada, Serai Faiz Mohammed Naseri, Kabul, **interested in buying used clothing.** Early June via New York for two months. c/o Domsey Trading Corp., 29-05 122nd St., College Park, New York, N.Y. 11354. Itinerary: Boston, cities in Michigan and California. WTD 3/69.

ALGERIA—Yahia Boutemene, Scientifix, 3 Boulevard Colonel Amirouche, Algiers, **interested in U.S. medical laboratory equipment, scientific equipment and computers to sell in Algeria.** May 19 via New York for 2-3 weeks. c/o Hilton Hotel, Chicago, 5/27; Hilton Hotel, Los Angeles 6/2. Itinerary: New York, Chicago, Los Angeles. WTD 2/69.

ARGENTINA—Angel Cabrejas, Norce, S.R.L., Rincon 244, Buenos Aires, **interested in importing U.S. automobile adhesive accessories, toys, and stretch shopping bags.** May 15 via New York for 15 days. c/o Shelton Towers Hotel, Lexington Ave. at E. 49th St., New York, N.Y. 10017. Itinerary: New York. WTD in preparation.

AUSTRALIA—John Blanch, dir. and gen. mgr., G. N. Raymond Ltd., 57 Keele St., Collingswood, Vic. 3066, **interested in meeting U.S. manufacturers of shoe boxes and in talking to U.S. saw mill manufacturers or users of saw mill waste, and requesting technical information.** May 16 via Los Angeles for approx. three weeks. c/o David Sterling, Sterling Last Corp., 43-05 Tenth St., Long Island City, N.Y. 11101. Itinerary: Los Angeles, cities in Idaho, Detroit, Boston, New York, Atlantic City, Philadelphia. WTD in preparation.

CEYLON—Arthur S. Fernando, Artisans Ltd., State Bank of India Bldg., Colombo 1, **interested in finding licensees and/or investors for low cost prefabricated concrete houses and introducing to such firms Artisans' patented method of dealing with mass housing for rural population.** May 28 via New York for approx. five weeks. c/o Tudor Hotel, 304 E. Forty-second St., New York, N.Y. 10017 5/31-6/5. Itinerary: New York, 6/6 Boston, 6/10 Washington, D.C., 6/16 Indianapolis, 6/21 Chicago, 6/30 Berkeley, 7/2 Los Angeles, 7/4 Redlands, 7/7 San Francisco, 7/8 Honolulu. WTD in preparation.

DENMARK—Axel Ollgaard, representing G. R. Ollgaard, 128 Strandvej, DK-2900 Hellerup, **interested in U.S. technical advances particularly in field of waterworks and requesting technical information concerning construction of waterworks and main pipelines.** May 13 via New York for six weeks. c/o Jorgen Ollgaard, 334 W. Fourth St., Bethlehem, Pa. 18015. Itinerary: to be decided after arrival. WTD in preparation.

ECUADOR—Juan E. Garcia J., Almacenes Edmundo Jordan Cia. Ltda., P.O. 4711, Guayaquil, **interested in importing U.S. air compressors and electric handtools.** May 10 via Miami for two months. c/o Lincoln Electric Co. Inc., 22777 St. Clair Ave., Cleveland, Ohio 44117, phone (216) 481-8100. Itinerary: Miami, New York, Cleveland, Middletown, O., Chicago. WTD 8/68 on Almacenes Edmundo Jordan Cia. Ltda., Quito.

FRANCE—Louis Jeannest, F.A.E. (Fabrique d'Appareillage Electrique), 38 St. Marcellin, or 286 Boulevard St. Germain, Paris 7, **interested in Technical or licensing agreements, import, joint ventures for electrical low voltage equipment such as circuit breakers, switches, fuses, lampholders, busbars distribution systems up to 700 amp. and 5000 amp. and export of licenses for high sensitivity circuit breakers, and catalogues from U.S. firms interested in such agreements.** May 11 via New York for three weeks. c/o Lancaster Hotel, 22 E. 38th St., New York, N.Y. 10016. Itinerary: New York, Philadelphia, Syracuse, N.Y., Detroit, Milwaukee, Cincinnati, 5/26-30 New York. WTD in preparation.

Dinh Le, representing Bazar de l'Hotel de Ville, 52-64 rue de Rivoli, Paris 4, France, **interested in U.S. camera distribution systems at wholesale and retail level, principally in Newark area.** June 1 via New York for two weeks. c/o William Nottingham, 50 N. Kenmore Road, Indianapolis, Ind. 46219. Itinerary: New York, St. Paul, Chicago, Indianapolis, Washington, Newark, Rochester, Boston, New York. WTD 4/68.

INDIA—Mathuradas H. Mehta, M. H. Mehta & Co., 605/606 Niranjan, 6th floor, 99 Marine Drive, Bombay 2, **interested in locating sales outlets for handicrafts, textiles,**

other Indian products. Last week in May via San Francisco for four weeks. c/o Vee Dalal, 2122 Prospect Ave., East Meadow, N.Y. Itinerary: San Francisco, Los Angeles, Seattle, Chicago, Detroit, Philadelphia, Louisville, Ky., New York, Washington, D.C. WTD 4/69.

PAKISTAN—Mian Mohamad Yahya, chairman, Nishat Mills Ltd., Chemical Industries of Pakistan Ltd., and Tangail Cotton Mills Ltd., Karachi, and Mohamad Mansha, **interested in licensing and joint ventures in caustic soda, bleaching powder, perfumes, cosmetics, and in contacting importers of jute goods and cotton textile fabrics.** May 10 via New York for approx. three weeks. c/o Pak Am Inc., 555 Fifth Ave., New York, N.Y. 10017. Itinerary: New York. WTD in preparation.

URUGUAY—Adi S. Sassi, Calzados Sassi S.A., Montevideo, **interested in exporting shoes from Uruguay to the U.S.** May 5 via New York for one month. c/o Studio Leather Corp., 40-23 82nd St. Jackson Heights, N.Y. 11372. Itinerary: New York, Boston, Washington, Los Angeles, Ventura, Calif. WTD in preparation.

Pakistan invites bids for hand tools, measuring equipment, related items

The Directorate of Supply invites bids for 100 items, in various quantities, of mechanical measuring equipment and tools, including: micrometers; torque and combination wrenches; dial, depth, and vacuum gauges; hydrometers; punch and chisel sets; universal wheel puller sets; swivel plate casters; tap and die sets; spark plug tap sets; brake cylinder hones and adjusting tools; valve spring lifter and compressors; diesel compression testers; stop watches; tachometers; torgometers; brass hammers; swedging tools; copper tubes; screw extractor sets; unions and union reducers; tube bending spring sets; and many more.

The tender number is S-9/196/SCI/68-69/group/6A/IDA/M, and the bid deadline is July 2. The procurement will be financed by IDA Credit No. 87-Pak.

Bids should be submitted to: Directorate of Supply, Government of East Pakistan, 48 Motijheel Commercial Area, Dacca 2, East Pakistan. Cable: "SUPPLY", Dacca.

Terms and specifications are available on a loan basis to firms located in the U.S. from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

Singapore sets bid deadline for touch dialing telephones

The purchasing Department, Singapore Telephone Board, has issued Tender No. P1/23/69, for the Supply of touch dialing desk telephone instruments.

Bid deadline is June 6.

Copies of tender announcement and specifications are available only from the Purchasing Department, Singapore Telephone Board, Telephone House, Hill St., Singapore 6, Republic of Singapore upon a tender deposit of $500.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

ARGENTINA—Five North American and European financial institutions are participating with the International Finance Corp. in a commitment to the Dalmine Siderca, S.A., Argentina. The funds will be used for the addition of a **50-ton electric arc furnace,** which will increase steel production capacity to 300,000 metric tons a year, and for working capital.

Dalmine Siderca is the only Argentine producer of seamless steel pipe. Its annual capacity of 140,000 metric tons is the second largest in Latin America. The company is an important supplier of pipe to the Argentine petroleum industry.

BRAZIL—The Sao Paulo State Highway Department will soon begin a feasibility study for the **Via Norte expressway** from the city of Sao Paulo to the Minas Gerais state border.

Four consortia are bidding on the study: Hidroservice; Geotecnica-Eletroprojectos-Consultec; Montor Eta-Transcon; and Asplan-Enecon-Etel. The latter group is associated with the U.S. firms: Parsons Brinkerhoff of New York; Quade and Douglas of New York; and Edwards and Kelsey of Newark, New Jersey.

During the next eight years, the State of Sao Paulo expects to build 600 kilometers of expressways. These expressways are being studied as a part of Phase II of the Brazilian Transport Study covering the States of Sao Paulo, Mato Grosso and Goias for the Brazilian Government Executive Group for Transport by a consortium of firms under a World Bank contract.

Interested U.S. engineering and construction firms and equipment suppliers should contact the Sao Paulo State Secretariat of Transport, Sao Paulo, Brazil.

BURUNDI—A $2.2 million scheme to improve the yields and quality of **coffee crops,** the mainstay of the economy of Burundi, will get support from a $1.8 million credit from the International Development Association (IDA).

The Burundi Agency for Industrial Crops, a government agency, will carry out the project over the next five years. It will include in-service training for Burundian coffee extension and processing personnel; a program of fertilizer trials and sales; the provision of farm inputs and tools to participating farmers; the construction of four pulping and fermenting factories, and the improvement of about 80 commercial pulping centers as well as 350 small bridges on existing coffee tracks.

A specialist from the Food and Agriculture Organization of the United Nations (FAO) helped to identify the project under the World Bank/FAO Cooperative Program.

LIBYA—A number of construction projects under Libya's Five Year Plan 1969-74 offer opportunities for U.S. engineering, construction and equipment supply firms despite keen competition from European contractors.

Among the new projects approved and recently announced are the following categories:

Housing—5,000 units for housing compounds; municipal and other government buildings;

Hospitals—two 1200-bed, one 300-bed, two 200-bed, three 150-bed, four 60-bed, one 50-bed, and three 150-bed additions to existing hospitals; and five nursing schools.

Water supply projects (135) and studies for water desalination plants.

Studies will also be conducted for electric power plants; road building; slaughter houses; markets; public gardens; baths; bus stations; schools (elementary and secondary—over 3900 classrooms, two agricultural secondary schools, two handicraft schools, two applied engineering schools, three Islamic arts and crafts schools, teacher training institutes and two universities, the latter for 10,000 students each).

Mechanical, scientific and laboratory equipment, including electronic teaching equipment, will also be required for the educational institutions.

TAIWAN—The Cabinet of the Republic of China has approved the Taiwan Railway Administration's (TRA) plan to apply for a $31.2 million loan from the World Bank. The loan agreement is scheduled to be signed in late May or early June in New York.

The loan will be used to finance the purchases of the following items: a) 18 diesel electric locomotives, $4 million; b) 268 passenger cars, $12.6 million; c) 600 freight cars $5.8 million; d) 130 bogies $500,000; e) 15 trailers $600,000; f) rails and parts, crossings, welding equipment, railway bridge sections, etc. $2.7 million; g) railway track signals, $1 million; h) machine shop equipment, $1.3 million; i) freight handling equipment $300,000; j) technical services and trainings $300,000. The use of the balance of $2.1 million has not been allocated.

The purchase of the above equipment by TRA will be made from time to time and will be handled by the Central Trust of China, Taipei, Taiwan, through global tenders. American suppliers should encourage their local agents to contact TRA as soon as possible concerning these trade opportunities. Those who have no agents in Taiwan may contact TRA for further information at the following address: Mr. S. H. Chen, dir., Taiwan Railway Administration, 2 Yenping North Road, Section 1, Taipei.

Algeria to purchase 13 silos for cereal

The Algerian Ministry of Agriculture and Agrarian Reform seeks bids on the engineering work and construction of 13 silos for cereal. The silos will have unit capacities of 10,000 to 280,000 quintals and a total volume of 1 million quintals. Final erection of the silos must be completed before June 1, 1971.

Interested firms may obtain sets of the specifications from the Direction du Genie Rural et de l'Hydraulique Agricole due Ministere de l'Agriculture, Algiers, Algeria.

Bids must be submitted by registered mail and arrive by June 14 at the offices of the Ministere de l'Agriculture et de la Reforme Agraire, Secretariat Permanent de la Commission de Liaison et de Coordination (C.LCC.), 12 Bd. du Colonel Amirouche, Algiers, Algeria.

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Calendar *for international traders*

ATLANTA—June 4—Last in series of 6 International Business Systems Seminars, Commerce Field Office, 9:30 a.m.-4 p.m. Sponsors. Commerce Field Office, Georgia State College.

AUSTIN, Tex.—June 4—Agribusiness Seminar, Ambassador Room, Villa Capri, 8 a.m. Sponsors: Commerce Field Office, REEC, State Dept. of Agriculture.

BALTIMORE—June 3—In-Office Seminar on Foreign Trade, Eighteenth Floor Board Room, Maryland National Bank. Sponsors: Commerce Field Office, REEC, Md. National Bank.

CHICAGO—June 3—Automotive Exporters' Club, Builders Bldg.

CHICAGO—June 5—In-Office Meeting, Commerce Field Office.

CHICAGO—June 11—East European Market, Chicago Assn. of Commerce & Industry, 30 West Monroe Street.

CHICAGO—June 18—Chicago Midwest Credit Management Assn., Bismarck Hotel.

CHICAGO—June 19—In-Office Meeting, Commerce Field Office.

CLEVELAND—June 11—Export Seminar on the Far East, Commerce Field Office, 10 a.m. Sponsors: Commerce Field Office, REEC, Small Business Administration.

CLEVELAND—June 18—Basic Export Workshop, Commerce Field Office, 10 a.m. Sponsors: Commerce Field Office, REEC.

DALLAS—June 10—Latin American Trade Conference, Braniff Training Room, Love Field, 9 a.m. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Braniff Int'l, Small Business Administration.

DETROIT—June 10—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

DETROIT—June 19—World Trade Club meeting, Pick-Ft. Shelby Hotel, 6 p.m.

FT. WORTH—June 11—Report on Ft. Worth Trade Mission to Central Europe, Petroleum Club, 12 noon. Sponsors: Commerce Field Office, N. Texas-Okla. REEC, Chamber of Commerce.

GREENSBORO, N.C.—June 13—Businessmen's Consultation, **John B. McGrath, Economic Officer, London.** Sponsor: Commerce Field Office.

HONOLULU—June 18—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce & Small Business Administration Field Offices.

IRVING, Tex.—June 3—Export Power Company Cooperative Program, Training Room, Texas Power & Light Co., 9 a.m. Sponsors: Commerce Field Office, REEC, Texas Power & Light Co.

KANSAS CITY—June 6—Meeting for Exporters, Top of the Tower, 6 p.m. Sponsors: Commerce Field Office, REEC, International Trade Club.

LOUISVILLE—June 10—Kentuckiana World Commerce Council, Annual ladies' night & election, Executive Inn; dinner, 6:30 p.m., election, 7:15 p.m.

NEW YORK—June 3—FCIB Roundtable Conference on Foreign Finance, Credit, Collection & Exchange Problems, Advertising Club, 1:30 p.m.

NEW YORK—June 3—Sixth of 8 lectures on International Business Marketing-Management. Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—June 4—Last of 7 Planning & Organizing for Int'l Trade lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—June 5—Seventh of 8 Documentation lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—June 17—FCIB Hardware-Automotive & Allied Trades Group Meeting, Advertising Club, 12:30 p.m.

NEW YORK—June 19—FCIB Drug, Chemical & Food Export Club Meeting, Advertising Club, 12:15 p.m.

NEWARK, N.J.—June 19—Profits in Exports, Small Business Administration, 970 Broad St. Sponsors: Commerce N.Y. Field Office, REEC, SBA.

PHILADELPHIA—June 4—Businessmen's Consultation, **John B. McGrath, Economic Officer, London.** Sponsor: Commerce Field Office.

RIO PIEDRAS, P.R.—June 4—Fourth of 12 weekly lectures in Spanish on Introduction to International Trade, Rm. 238, Social Sciences Bldg., University of Puerto Rico, 8 p.m. Sponsors: U.S., Puerto Rico Departments of Commerce; REEC; Pan American World Airways.

WACO, Tex.—June 5—Export Power Company Cooperative Program, Training Room, Texas Power & Light Co., 9 a.m. Sponsors: Commerce Field Office, REEC, Texas Power & Light Co.

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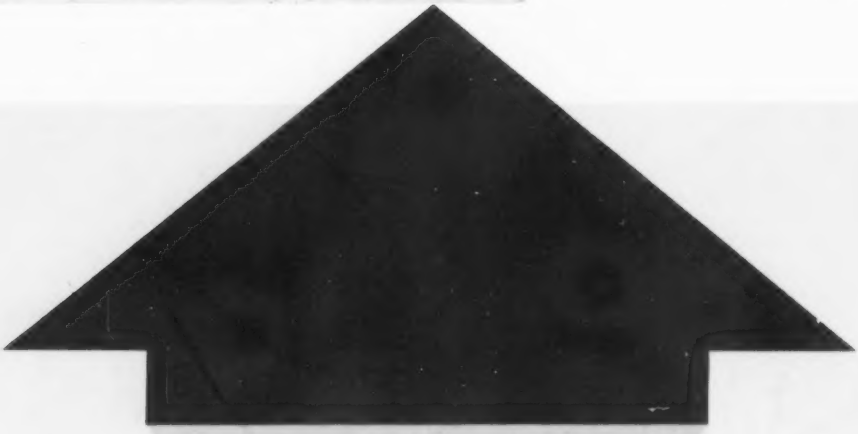

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